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Issue Date: April 27, 2012
Closing Date: June 15, 2012
Closing Time: 0800 Nairobi Time

Subject: **Request for Proposal (RFP) # SOL-615-12-000005 Resilience and Economic Growth in the Arid Lands-Accelerated Growth (REGAL-AG)**

The United States Government, represented by the U.S Agency for International Development to East Africa (USAID/EA), is seeking a Contractor to provide the services in Kenya as stipulated in Section C of the subject RFP. It is anticipated that a five (5) year, cost reimbursement plus fixed fee (CPFF) completion type contract will be awarded for the services specified herein. The government estimate for this contract is **$18-22 million**. A complementary Feed the Future (FtF)/REGAL funding opportunity for an assistance award has also been released on Grants.gov at the following link: REGAL-IR.

Offerors are invited to submit proposals in accordance with the requirements specified in Section L of this RFP. Any proposal not received by the designated officials at the e-mail addresses listed below by the closing date and time specified will be handled in accordance with FAR 52.215-1. Proposals and any modifications thereto must be received electronically and must be sent via e-mail attachments to dharter@usaid.gov and jamay@usaid.gov by the closing date.

USAID reserves the right to award the contract subject to availability of funds. USAID intends to follow an intensive timeline for this procurement. Below are the milestones and anticipated dates of this procurement. However, because USAID reserves the right to award a contract without discussions, initial proposals should represent an Offeror's best proposal.

Release of the RFP	April 27, 2012
Q&A Closes (8am local Nairobi time)	May 9, 2012
Q&A Response	May 11, 2012
RFP Closes	June 15, 2012
Competitive Range Determination (if applicable)	June 29, 2012
Discussions (if applicable)	July 9-13, 2012
Revised Proposals Due	July 20, 2012
Award	August 10, 2012

If a competitive range is established, USAID intends to hold **in-person** discussions with Offerors in the competitive range. The Chiefs of Party for the Offerors in the competitive range shall travel to Nairobi, at USAID's expense (limited to $5,000 per Offeror). Therefore, Offerors must plan schedules accordingly to accommodate the timeline above. Offerors may include other members in the discussions at the Offerors's own expense. The representatives of any Offeror in the competitive range, either the Chief of Party or another representative, **must** have the authority to negotiate on behalf of the Offeror.

This request in no way obligates USAID to award a contract, nor does it commit USAID to pay any cost incurred in the preparation and submission of your proposal.

Any questions regarding this RFP should be made in writing and sent to Daniel Harter via e-mail at dharter@usaid.gov before the opening of business in Nairobi on the Q&A close date specified above. We look forward to receiving and reviewing your proposals.

Regards,

/s/

Daniel Harter
Regional Contracting Officer
USAID/EA

Signed Cover Letter - REGAL-AG - RFP.pd

SF-33 - REGAL-AG.pdf

RFP Budget Template.xlsx

PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICE/COSTS

B.1. PURPOSE

The purpose of this contract is to provide technical assistance as described in detail in Section C, Statement of Work.

B.2. CONTRACT TYPE

This is a Cost-Plus Fixed-Fee (CPFF) completion type contract. For the consideration set forth below, the Contractor shall provide the performance requirements described in Section C and the deliverables or outputs described in Section F.

B.3. ESTIMATED COST, FIXED FEE, AND OBLIGATED AMOUNT

(a) The estimated cost for the performance of the work required hereunder, exclusive of fixed fee, if any, is $*TBD*. The fixed fee, if any, is $*TBD*. The estimated cost plus fixed fee, if any, is $*TBD*.

(b) Within the estimated cost plus fixed fee, if any, specified in paragraph (a) above, the amount currently obligated and available for reimbursement of allowable costs incurred by the Contractor (and payment of fee, if any) for performance hereunder is $*TBD*. The Contractor shall not exceed the aforesaid obligated amount.

(c) Funds obligated hereunder are anticipated to be sufficient through [*to be inserted at the time of award*].

B.4. BUDGET LINE ITEMS

The following budget table captures the final negotiated cost elements for the performance of the work required hereunder.

*Cost Element:	Amount:
Labor	$__________
Fringe Benefits	$__________
Travel	$__________
Equipment	$__________
Supplies	$__________
Other Direct Costs	$__________
Subcontracts	$4,400,000.00
Indirect Costs	$__________
Total Estimated Cost	$__________
Fixed Fee	$__________
Total Estimated Costs plus Fee	$__________

*Please refer to the “RFP Budget Template” provided as an attachment to this RFP.

B.5. PERIOD OF PERFORMANCE

The period of performance for this contract is five years from date of award.

B.6. MULTI-YEAR CONTRACT

This CPFF contract is considered non-severable, and is therefore a multi-year contract as defined in FAR 17.103. Therefore, this contract is subject to the requirements of FAR 17.106.

Cancellation Dates:

Contract Year 2:	August 1, 2013
Contract Year 3:	August 1, 2014
Contract Year 4:	August 1, 2015
Contract Year 5:	August 1, 2016

Cancellation Ceiling:

This is a CPFF type contract where the Contractor is authorized to be reimbursed for all costs which are allowable in accordance with FAR 52.216-7, “Allowable Costs and Payment”. Therefore, the Contractor will not incur any costs which would have been amortized over the life of the contract should the contract be cancelled in accordance with FAR 17.103 and 52.217-2. Therefore, the cancellation ceiling for each cancellation date is $0.00.

B.7. INDIRECT COSTS

Pending establishment of revised provisional or final indirect cost rates, allowable indirect costs shall be reimbursed on the basis of the following negotiated provisional or predetermined rates and the appropriate bases:

Description	Rate	Base	Type	Period
	%	1/	1/	1/
	%	2/	2/	2/
	%	3/	3/	3/

1/Base of Application:
Type of Rate:
Period:

2/Base of Application:
Type of Rate:
Period:

3/Base of Application:
Type of Rate:

Period:

B.8. CEILING ON INDIRECT COSTS

(a) Reimbursement for indirect costs shall be at the lower of the negotiated final predetermined rates or the following ceiling rates:

Description	Rate	Base	Type	Period
	%	1/	1/	1/
	%	2/	2/	2/
	%	3/	3/	3/

1/Base of Application:
Type of Rate:
Period:

2/Base of Application:
Type of Rate:
Period:

3/Base of Application:
Type of Rate:
Period:

(b) The Government will not be obligated to pay any additional amount should the final indirect cost rates exceed the negotiated ceiling rates. If the final indirect cost rates are less than the negotiated ceiling rates, the negotiated rates will be reduced to conform to the lower rates.

(c) This understanding shall not change any monetary ceiling, obligation, or specific cost allowance or disallowance. Any changes in classifying or allocating indirect costs require the prior written approval of the Contracting Officer.

B.9. SUBCONTRACTING

The Contractor shall subcontract at least $4,400,000 of the work under this program in order to build local capacity as highlighted in Section C. Priority shall be given to local organizations, associations and/or firms. The Contractor, however, will be held responsible for all requirements of and all work performed under this contract.

B.10. COST REIMBURSABLE

The U.S. dollar costs allowable shall be limited to reasonable, allocable and necessary costs determined in accordance with FAR 52.216-7, Allowable Cost and Payment, FAR 52.216-8, Fixed Fee, if applicable, and AIDAR 752.7003, Documentation for Payment.

[END OF SECTION B]

SECTION C - DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK

INTRODUCTION

USAID/Kenya intends to award two procurements under a larger program titled "Resilience and Economic Growth in the Arid Lands" (REGAL). The first component, a Request for Application titled "**Resilience and Economic Growth in the Arid Lands-Improving Resilience**" (REGAL-IR) is discussed in a separate Request for Applications as stated in the cover letter. The second component, discussed in this Request for Proposal, will be a five-year, $18-22 million contract titled "**Resilience and Economic Growth in the Arid Lands-Accelerated Growth**" (REGAL-AG). Both programs fall under the United States Government's (USG) Feed the Future (FtF) Initiative.

Project Rationale

Since Fiscal Year (FY) 2002, the USG has provided more than $4.2 billion in food and non-food assistance to Kenya and Ethiopia alone—an average of more than $470 million per year. The majority of humanitarian assistance addressed the impacts of acute and chronic food insecurity in arid and semi-arid lands. Despite this significant investment of resources, humanitarian needs are continuing to rise, and 2011 found 13 million people in desperate need of assistance. About 3.8 million of these were in Kenya—a number which emphasizes both the culmination of successive seasons of inadequate and erratic rain, and the deep level of vulnerability that exists in the country's drought-prone regions.

The Government of Kenya's (GoK) Post-Disaster Needs Assessment (PDNA), supported by the United Nations (UN), World Bank, European Union (EU), and other partners, found that drought impacts in 2011 were actually the manifestation of a drought period spanning 2008-2011, representing a loss of $12.1 billion. A large proportion of this loss was in the country's livestock sector ($8 billion).[1] The socio-economic impacts of drought during this period were also severe, particularly in terms of under-nutrition; Global Acute Malnutrition rates in the arid counties regularly exceeding 20%, with spikes from 25- 35% witnessed in 2009 and 2011[2]. With variability of rainfall increasing and climate change likely to reduce the recovery time between climatic shocks even further, the human cost will continue to rise.

Reversing this trend will require sustained commitment on the part of national governments and regional institutions. Donor expectations of transparency and social accountability will have to be backed up with investment in capacity, monitoring and evaluation. The GoK's Vision 2030 Development Strategy for Northern Kenya and other Arid Lands (August, 2011) provides a strong signal of the GoK's commitment to significant development in the arid counties. Consultations with communities expected to benefit from this strategy should be part of a broader effort to gain donor alignment and support for this vision.

From a USG perspective, reducing humanitarian requirements over the long term entails using humanitarian resources strategically in the near to medium term while linking with development resources. The USAID Office of Food for Peace (FFP) Title II food assistance currently supports an ad hoc safety net in Kenya and USAID's Office of U.S. Foreign Disaster Assistance (OFDA) supports community-based disaster risk management and resilience programing. The Resilience and Economic Growth in the Arid Lands (REGAL) program seeks to identify, integrate and sustain humanitarian investments that prove to be effective in sustainably increasing resilience and reducing the need for recurrent humanitarian assistance, and to build on these investments to accelerate sustainable economic growth.

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[1] Kenya Post-Disaster Needs Assessment (PDNA) for the 2008-2001 Drought, MOF.
[2] Ibid.

Project Overview

As part of the USG's expanded FtF strategy, USAID/Kenya intends to award two linked procurements to increase social stability and economic growth in the Arid and Semi-Arid Lands (ASALs). These procurements, which make up USAID's REGAL program, will focus on resilience and growth. These procurements are key to the USG's response to the crisis in the Horn of Africa and, to be effective, must be implemented in a coordinated and integrated fashion, while contributing to both country-level and regional learning platforms.

REGAL is part of a larger GoK-led multi-donor effort to improve social stability and increase economic growth in the arid lands. The vision for REGAL is:

By 2017, economic and social stability will have increased across Kenya's arid lands (ALs) fueled by empowered and resilient communities, well managed natural resources, expanded and diversified economic opportunities, vibrant local institutions, and good governance. The USG will achieve this vision through integrated investments and innovations to reduce vulnerability, build resilience, and stimulate growth.[3]

REGAL's two primary procurements are:

- **REGAL—Improved Resilience** (REGAL-IR): a five-year, up to $49 million cooperative agreement that will partner with the GoK, WFP, and other agencies to employ a community-driven development approach to build social, economic, and environmental resilience. Focus areas are diversification of livelihood opportunities, community management of natural resources, improving market access, disaster risk reduction and improving nutritional outcomes.

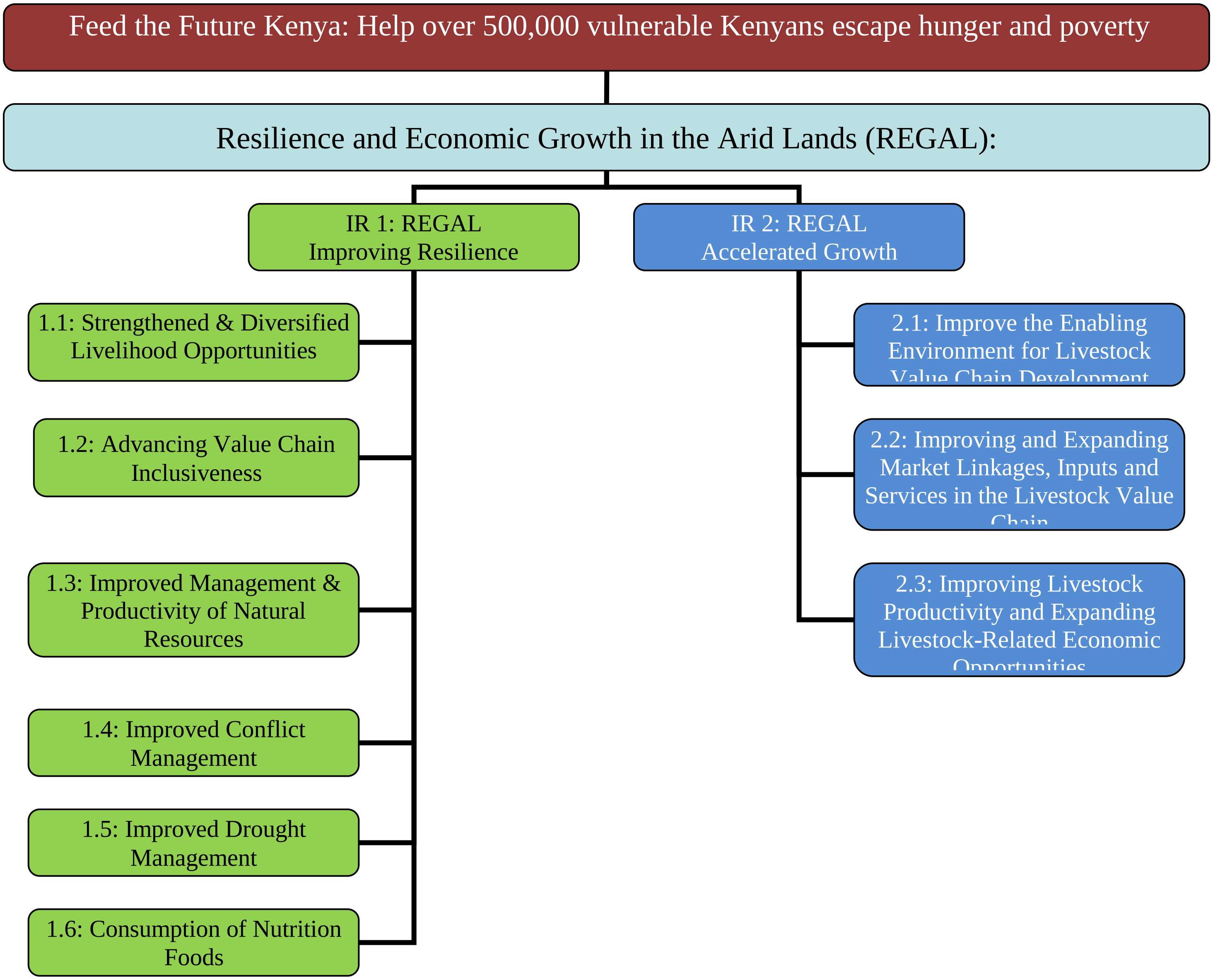
- **REGAL—Accelerated Growth** (REGAL-AG) is a five-year, $18-22 million contract which builds upon and deepens the USAID investment in select areas to improve the inclusiveness and competitiveness of the livestock value chain in two counties while furthering livestock-related economic opportunities. A key focus on the project will involve facilitating behavior change in actors all along the chain – from livestock keepers, to middlemen, traders, transporters, and buyers – in order to improve their economic resilience and stimulate growth.

REGAL will include "Whole of Government" engagement and specific "Whole of USAID" investments by FFP, OFDA, USAID/Kenya, and the Bureau of Food Security (BFS). Coordination will also be promoted across donors, both bilateral and multilateral.

REGAL Results Framework

Figure 1: Results Framework:

[3] Kenya, Ethiopia, and Regional Missions, January 2012



REGAL's Intermediate Result illustrative indicators include:

IR.1 Improving Resilience

- Number of people in need of humanitarian assistance, normalized by severity of drought
- Prevalence of acute/chronic malnutrition
- Income in target areas
- Household Dietary Diversity Score and Household Hunger Scale
- Value of household asset holdings

IR.2 Accelerated Growth

- Pastoralists income from sale of live animals and livestock products
- Volume and value of sales of live animals and livestock products

- Investment in upgrading in the livestock value chain[4]
- Prevalence of chronic malnutrition (stunting)
- Number of new technologies or management practices under field testing
- Number of households using proven technologies and innovations

Cross-Cutting
- Number of communities with effective local management of natural resources (e.g. water, rangeland)
- Number of communities indicating participation in local decision-making
- Number of communities with effective conflict management institutions
- Increased women's empowerment in the target areas

STATEMENT OF WORK (SOW)

C.1 REGAL-AG Goal and Objectives

The larger REGAL Project – through REGAL-IR investments in social and economic resilience – will lay a foundation for REGAL-AG. This foundation will include investments that foster the sustainable management of the natural resource base, address issues related to governance of grazing land, water and other resources, mitigate conflicts, and allow for diversification of livelihoods.

The goal of the REGAL-AG is to increase economic growth in the selected arid counties of Marsabit and Garissa by means of a more inclusive and competitive livestock value chain.

Activity objectives are to:
a) Improve the enabling environment for livestock value chain development;
b) Improve the inclusiveness and performance of livestock markets, and expand market linkages, inputs and services in the livestock value chain; and
c) Improve livestock productivity and expand livestock-related economic opportunities.

A number of systemic and cross cutting issues are critical to achieving these objectives. They are:
- A policy, legal and regulatory environment that creates incentives for investment by all value chain actors, with clear benefits flowing to both male, female, and young pastoralists;
- Access to financial services all along the value chain;
- Gender-equitable opportunities to improved competitiveness, productivity and livestock-related enterprise development; and
- Sustainable natural resource management that supports effective management of grazing land, water and other natural resources and increases resilience to climate change stresses.

C.2. REGAL-AG Vision, Analytics, Strategy, and Components

C.2.1 REGAL-AG Vision

REGAL-AG will foster a vibrant livestock value chain that generates opportunities for those along the value chain, including pastoralist livestock keepers at the base of the chain and middlemen, traders, transporters, processors, and buyers further down the chain. REGAL-AG will foster growth, while expanding the depth and breadth of benefits from improved value chain competitiveness. Inclusion will

[4] Upgrading includes changes on the part of value chain actors in products, processes, value added functions and market channels in response to changes in market demand. "Investments in upgrading" translates into improved competitiveness.

be enhanced by improving market access, the availability and affordability of inputs and services needed to benefit from market participation, the incentives created by the enabling environment for investing even for those with scarce resources, and working with livestock keepers to help them better manage risk.

The growth of the livestock value chain will generate economic opportunities for those directly engaged in the value chain and transfer a greater share of market value back down the value chain to households and communities. This transfer of value will, in turn generate new opportunities for livestock- and non-livestock-related input and service providers. The multiplication effects of growth will result in greater purchasing power with the potential of stimulating new trade and business activities that supply food, consumer goods, health care, and education, and create wage employment.

Improved access to markets and financial and livestock-related services will contribute to more commercial behavior on the part of pastoralists. Over time, pastoralists will use strategies that encourage the sale of their livestock at peak body condition and for high prices, save the proceeds, and buy livestock when prices are relatively low. This would reverse the current trend that has exacerbated vulnerability among those with the smallest herds who sell when they are desperate, at very low prices, while the better off are able to increase their herd size by buying from desperate herders at very low prices. Communities will benefit when more value is retained locally, putting more money into the hands of men, women and youth.

These new opportunities diversify the options open to pastoralists in responding to pressures on the livestock market system resulting from recurrent drought, natural resource degradation, and years of under-investment. The challenge for REGAL-AG Contractor is to identify opportunities to build upon the base provided by humanitarian assistance and resilience programming to expand economic opportunities in the livestock value chain that increase incomes and assets of the poor. The aim is to empower the poor by improving the functioning of the livestock value chain to be more competitive and more inclusive of the poor. Empowering the poor to participate in and benefit from sustained growth of the livestock value chain will contribute to their increased resilience and reduced dependence on humanitarian aid.

C.2.2 Value Chain Analytics and Technical Services for Evidence-Based Implementation

The GoK, academics, USAID and other donors have commissioned or conducted several studies focused on pastoralists and the Arid Lands. The Contractor will build on these findings, while using USAID's value chain framework[5] and approach[6] to analysis to identify gaps. The synthesis of existing and new analytics should begin with asking: "why the value chain or market system functions as it currently does?" to understand opportunities, potential drivers of change, and obstacles in the system to improved competitiveness, productivity, and broad-based benefits. It should also lead to an understanding of the relationships between value chain actors including the extent or lack of cooperation, competition and distribution of benefits. In the case of pastoralism, where the social system is so important, understanding these relationships is key to designing effective and strategic interventions.

Further analytical work might be done with the participation of value chain actors including – where it makes sense - consumers of livestock from the arid lands. This participation in analyses can assist in building consensus on priorities for investment and create awareness of the needs of different actors and how a common approach can benefit all.

[5] http://apps.develebridge.net/amap/index.php/Value_Chain_Development
[6] http://microlinks.kdid.org/good-practice-center/value-chain-wiki/value-chain-analysis

REGAL-AG will have staff or access to technical experts to ensure that the overall REGAL Program has the technical services needed in areas such as (but not limited to):

- End market analysis and livestock marketing,
- Market systems approaches and facilitation,
- Livestock Productivity,
- Capacity building for producer and/or market organizations,
- Environmental and climate change vulnerability assessments, and
- Gender.

C.2.3 REGAL-AG Strategy

Analysis will inform the REGAL-AG's strategy for improving value chain competitiveness and inclusiveness. The strategy will identify and prioritize the changes that are needed to upgrade the livestock market system and make it more inclusive of male and female livestock keepers. The plan will be temporal, i.e., include the sequencing of interventions needed to move the value chain from its current state toward a five-year vision (as described above). The experience of stakeholders of REGAL-AG – value chain actors, private service providers, and government officials – in working together towards agreed upon objectives will provide an opportunity to share learning and define successful approaches and best practices. The plan for realizing the vision of the REGAL-AG activity is bound to change. Nonetheless, the initial plan will be a guidepost for implementation of the activity that will be monitored and adjusted throughout the life-of-the-activity and afterwards. The REGAL-AG strategy will be revised on an annual basis in light of evidence from REGAL-AG and -IR as well as other USAID evaluation and monitoring results and vulnerability assessments. Annual work plans will be based on the annually revised strategy.

The assumption of this SOW is that humanitarian resilience programs in the arid lands have laid the foundation for longer-term development, including value chain development. The Contractor will need to explore where the strongest linkages to development of the livestock value chain exist.

C.2.4 Components

To achieve the above objectives and address cross cutting issues, the REGAL-AG program is comprised of three inter-related components:

Component 1:	Improving the Enabling Environment for Livestock Value Chain Development
Component 2:	Improving and Expanding Market Linkages, Inputs and Services in the Livestock Value Chain
Component 3:	Improving Livestock Productivity and Expanding Livestock-Related Economic Opportunities

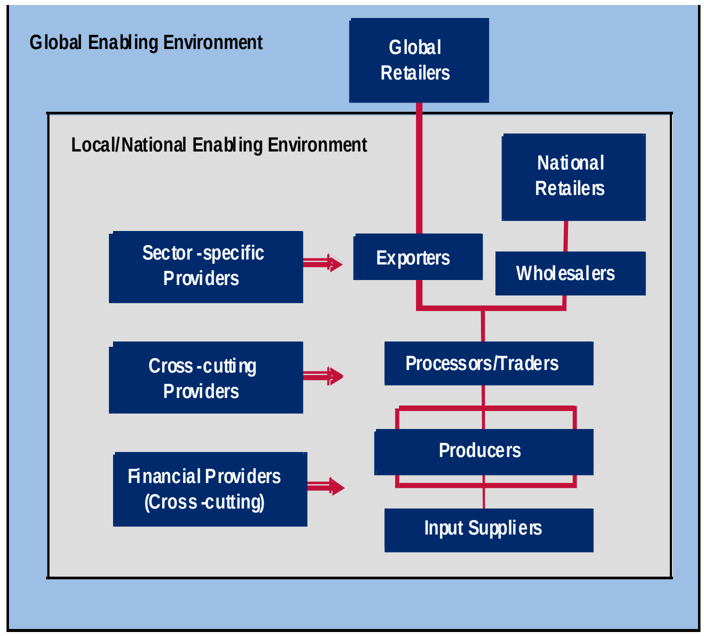
C.3 REGAL Implementation Approach

REGAL will embrace the following common principles.

1. *A systems approach* will guide the REGAL-AG activity. A global principle for REGAL's resilience and growth activities involves a systems perspective to improving the resilience and incomes of the pastoralists. This perspective posits that improving social stability and economic growth in the Arid Lands requires changes in the following inter-connected systems:

- the livestock value chain or market system,
- governance of land, water and other natural resources,
- the natural eco-system related to pasture and crop farming,
- the socio-cultural system, which underpins the indigenous social safety net as well as many of the conflicts in the region,
- the supporting system (e.g. end markets, financial services, and BDS) for livestock and non-livestock-related livelihoods, and
- state and non-state institutions and their capacity to deliver services and represent the interests of their constituencies.

Figure 2: Value Chain Structure



To improve value chain competitiveness, The Contractor will take a market systems approach. This market system is made up of vertically and horizontally linked actors – that include producers, traders, processors, wholesalers and/or exporters – selling to end markets and supported by a range of technical, business and financial service providers (service markets), who enable value chain actors to improve their performance. Both value chain actors and service providers operate within an enabling environment that either facilitates for hinders sustainable value chain development and competitiveness. The quality of the interconnections, including ability of actors to cooperate and/or constructively compete, is key to facilitating investments in upgrading and improving competitiveness. Win-win relationships between actors support both social and economic resilience.

This market system is highly dependent on the natural eco-system, governance, and the social network; and thus interventions in these multi-layers need to be coordinated in order to achieve economic growth objectives.

2. *Facilitation* will be central to the implementation of REGAL-AG. Facilitation aims to improve the functioning of a system and to catalyze systemic change without taking a direct role in the system. Its objective is to ensure sustainability by putting local actors front and center as drivers of the change process, focusing on both opportunities and constraints. While understanding the "tangible" constraints to systemic change, such as lack of access to resources or markets, facilitation also addresses the "intangibles," such as lack of trust between actors, lack of transparency, rent seeking behavior, power asymmetries and/or socio cultural beliefs and norms that underpin why people behave the way they do. The principles of facilitation[7] include:

- "Light touch" or intensity of involvement;

[7] For a briefing paper on "understanding facilitation: http://microlinks.kdid.org/sites/microlinks/files/resource/files/Facilitation_Brief.pdf

- Ownership of the change process by value chain actors;
- Empowerment;
- Relationships;
- Leverage; and
- Demonstrate, scale up and exit.

3. *Inclusion.* The Contractor will advance inclusion in the livestock sector and livestock-related economic activities– in part – by engaging excluded groups in stakeholder meetings, designing available, affordable, and accessible service market products, and identifying other incentives for wider participation in livestock and livestock-related value chains.

4. *Capacity of Local Systems.* USAID procurement reform effort under *USAID Forward*[8] calls for programs, especially those under the FtF Initiative, to strengthen the capacity of local systems, including host government, civil society, and private sector to receive direct USAID awards and be able to take increased responsibility for implementation of USAID programs. In line with these reform efforts and to bolster the sustainability of USAID/Kenya investments, the Contractor will build local capacity of NGOs, CBOs, SACCOs, Livestock marketing associations and other viable organizations to contribute to and invest in agricultural transformation as well as community nutrition. USAID's Accelerated Microenterprise Advancement Project (AMAP) has developed facilitation training for trainers which is available online[9].

5. *Empowerment of women.* Inclusive livestock value chain growth requires the participation of both men and women pastoralists. The Contractor will take an evidence-based approach in identifying gender gaps in access to productive resources, input and service markets, markets for livestock and livestock products, and diversified livelihood activities. This will provide the evidence base for identifying strategies to close these gender gaps to build inclusive and resilient social and economic systems. Project implementation will empower women in decisions about livestock production, the use of productive resources (land, water, capital), and control over income and time use. Women's leadership in communities will be built upon and strengthened to foster inclusive growth and strong resource management. Systematic monitoring, evaluation, and learning components will generate sex disaggregated data at the household and market levels and incorporate impact evaluations around critical questions related to gender equality and women's empowerment in pastoral social and economic systems.

6. *Benefits to smallholder livestock keepers.* Benefits are a key incentive for investments in upgrading. Benefits can be improved for smallholders without distorting markets by: (a) enhancing their bargaining power in the marketplace; (b) promoting competition among service providers or buyers; (c) reducing transaction costs to improve access to markets and services; and (d) using ICT and other creative solutions to improve access to market information and commercial networks.

7. *Collaborate, Learn and Adapt (CLA).* USAID's Bureau for Program Planning and Learning (USAID/PPL) has developed an approach to learning called Collaborating, Learning and Adapting (CLA). This approach facilitates a process for strategic collaboration among partners, systematically generates and captures learning, facilitates the exchange of knowledge, and promotes a learning culture. CLA will be important in Marsabit and Garissa, where REGAL investments in economic growth, resilience, risk reduction and governance will likely be implemented by different implementing partners, effective strategies for collaborating and collective learning will be essential. Through CLA, the Contractor will engage with the Agricultural Sector Coordination Unit (ASCU), National Drought

[8] see http://forward.usaid.gov/sites/default/files/Building%20local%20development%20leadership%20PA.pdf
[9] The training materials and curricula are available on www.microlinks.org/vcwiki.

Management Authority (NDMA) and other necessary institutions to ensure the coordination of efforts between GoK efforts and those of other donors.

8. *Evidence-based implementation.* The REGAL-AG Contractor's interventions will be informed by analytics, including the End Market Study[10] completed in January 2012, value chain analyses, and a mandatory gender assessment. However, considerable analyses[11] have already been conducted. The Contractor will mine these existing studies and focus on filling gaps needed to ensure evidence-based implementation. The Contractor will use USAID's value chain framework[12] to identify gaps and ensure a holistic analysis to inform implementation in Marsabit and Garissa counties. Before looking at solutions to problems, the analytics need to clarify the underlying causes of identified problems. Analytics should aim to understand opportunities, potential drivers of change, and obstacles in the system to improved competitiveness, productivity, and broad-based and gender-disaggregated benefits.

9. *Foster innovation and public-private investment partnerships.* Firms can catalyze value chain investments if the incentives and opportunities are clear. REGAL will foster public-private partnerships in investments motivated by commercial incentives using Global Development Alliance (GDA) principles and mechanisms. The Contractor will also promote subcontracts to local organizations and invest in private firms, GOK agencies, Kenya Agricultural Research Institute (KARI), Livestock Marketing Associations, SACCOs, NGOs or other local organizations best placed to address key value chain and systemic constraints. The contracts should focus on minimizing the risks for value chain actors to innovate and/or invest, and on developing, rather than distorting markets. Subcontracts should also incorporate a gender analysis of the livestock value chain and diversified economic opportunities that demonstrate innovations and technologies that reduce women's labor burden and/or increase productivity. As stated in Section B, at a minimum $4,400,000 should be put towards subcontracts to assist in the achievement of the desired results of the program while also building local capacity.

10. *Ensure flexibility.* Flexibility is critical to promoting private sector development, especially when markets are dynamic or volatile and the program should be able to respond to new opportunities and changing conditions.

11. *Promote environmental stewardship.* The Contractor will need to incorporate activities that increase the capacity of smallholders to plan for and be resilient to the effects of climate change. Interventions will seek to minimize negative environmental impact, enhance the resource base, and improve management practices. Activities that have actual or potential impact on the physical environment need to identify and mitigate any negative impacts in compliance with USAID and Kenyan environmental regulations, and with approaches consistent with facilitation as opposed to direct service provision.

C.4 Components of REGAL-AG

Component 1 – Improving the Enabling Environment

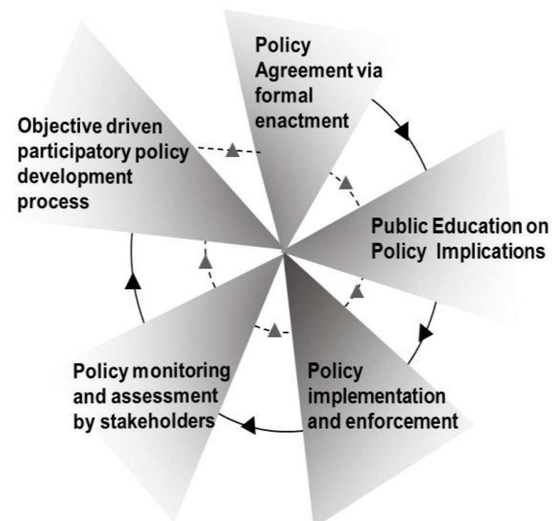
Approach - REGAL envisions a vibrant livestock value chain in Marsabit and Garissa counties that is characterized by increasing numbers of animals moving from rangelands to terminal markets and vibrant input and service markets supporting the livestock sector. REGAL-IR will work to lay the foundation for this expanded economic activity by fostering an enabling environment that includes a rehabilitated eco-

[10]) "Kenya Livestock and Meat End Market Study," by Elisabeth Farmer and James Mbwika, ACDI/VOCA under AMAP, February 2012.
[11] (1) The study commissioned by USAID/Kenya, "Enhancing Resilience To Climate Change In The Horn Of Africa," by Jesse T. Njoka, Centre for Sustainable Dryland Ecosystems and Societies, University of Nairobi; (2) "Enhancing Resilience and Promoting Development in Pastoralist Areas of The Horn of Africa," by Derek Headey, Alemayehu Seyoum Taffesse, Liang You, International Food Policy Research Institute (IFPRI), Washington DC, USA & Addis Ababa, Ethiopia; and (3) "Kenya Livestock and Meat End Market Study," by Elisabeth Farmer and James Mbwika, ACDI/VOCA under AMAP, February 2012.
[12] http://apps.develebridge.net/amap/index.php/Value_Chain_Development

system of grazing land, water and vegetation, a reinvigorated traditional and reformed formal governance system that effectively manages land and resource allocation, and mechanisms for conflict resolution.

Building on this foundation, the REGAL-AG Contractor will work with GoK, and with the participation of stakeholders to foster an enabling environment of: (1) appropriate, clearly understood and well-implemented policies, rules and regulations that are publicly vetted and developed through participatory process; (2) effective, and accessible infrastructure and public services that support the commercialization of the livestock sector; and (3) recognition of the value of the pastoral system, including its traditional governance and social safety net systems.

Figure 4: Policy-Making System



To assure passage and implementation of required enabling policies, public investment in supporting infrastructure and delivery of required public services, pastoralists and other value chain actors must have a voice through elected bodies and public offices, especially as budgets are determined and resources appropriated. To ensure *a voice* for pastoralists and other value chain actors, a policy-making system is needed that allows for engagement in the political system.). The policy-making system should include a mechanism to monitor, evaluate, learn, and adjust policies based on participatory platforms. With devolution, changes in the policy process must align with new government structures and take advantage of resultant opportunities.

REGAL-AG in coordination with other stakeholders, aims to empower leaders and civil society organizations with the information they need to advocate for a fair share of county resources. In all such efforts equity among ethnic, economic, and gender groups will guide the design for REGAL-AG activities.

In strengthening the enabling environment for increased commercialization of the livestock sector, the REGAL-AG Contractor will need to consider the informal dimensions of the enabling environment, including the norms, customs and codes of conduct that affect value chain actors' attitudes, behaviors and access to resources and markets. These informal rules are particularly important among pastoralists and will be key to furthering commercialization. The Contractor might work with REGAL-IR to foster viable and acceptable pathways for vulnerable populations to effectively engage in commercial activities. These pathways will likely include increased access to markets, finance and animal health care as well as culturally acceptable mechanisms for selling and restocking herds and ensuring the social safety net.

Expected Results - In order to reach the objectives of this component, the Contractor will be responsible for the following results.

The Contractor shall:

- Ensure that public policy and private investment are guided by national and county-level Livestock Market Development Plans.
- Ensure greater GoK recognition of pastoral institutions, including customary land and property rights, resource sharing, and ensure that policies are enacted and implemented that facilitate livestock mobility across borders.

- Increase participation of vulnerable pastoralists in markets and ensure that they benefit from resources.
- Increase public investment in improving livestock productivity, animal disease control and livestock market infrastructure.
- Develop public-private agreements resulting in an increase in the availability of market infrastructure, inputs and services.
- Reduce transaction costs for traders to aggregate and transport livestock from targeted primary and secondary markets.

Illustrative Activities - The following is a list of illustrative activities that the Contractor may wish to consider when developing a program to meet the expected results listed above. The Contractor is not restricted to these activities and is encouraged to propose others that may also be innovative and/or believed to reach the results required above.

- *Host public forums* at national and county levels for all relevant stakeholders around livestock value chain topics and ensure that policy changes are advocated for by livestock value chain organizations at the county and national level.
- *Publish policy assessment studies* relevant to livestock value chain in Marsabit and Garissa in open media.
- *Value chain analyses, policy analyses and assessments*: the Contractor's technical experts will carry out targeted analyses that inform public forums at county level and possibly in Nairobi.
- *Support existing and the formation of livestock value chain stakeholder groups*, including GoK policy makers, to discuss issues affecting the enabling environment in which they operate. Stakeholder forums at county and national level might address such issues as employment and deployment of animal health service providers (veterinarians and animal health technicians) to ward-level markets, the ban on night transport of livestock, public sector infrastructure investments, delivery of public services, budgets, and governance issues affecting the livestock value chain.
- *Leadership training* for pastoralists and government actors to engage effectively in the policy-making system.
- *Public education* on key policies and progress toward developing and implementing them.
- *Use of media in creating awareness* amongst all stakeholders regarding the policy process and the implementation of policies key to the economic and social resilience of the ALs.
- *Creation of appropriate mechanisms and opportunities* for vulnerable populations to engage in policy dialogue.
- *Innovative approaches to conflict mitigation* that reduce constraints to human and animal mobility within counties and across borders.

Component 2 – Improving and Expanding Market Linkages, Inputs and Services in the Livestock Value Chain

Approach - The Contractor will work to catalyze greater cooperation and constructive competition that leads to innovation among vertically- and horizontally-linked livestock value chain actors. The term "vertical linkages" in value chains refers to the strength of vertical cooperation amongst value chain actors: i) in getting a product from input supply to consumer; ii) in transmitting information (prices, standards and quantities demanded) from buyers down the chain to suppliers; and iii) in conveying incentives from buyers willing to pay a premium for quality products to suppliers. Horizontal linkages relate to longer-term cooperative arrangements among value chain actors performing similar functions that involve interdependence, trust and resource pooling in order to jointly accomplish common goals. Formal and informal horizontal linkages can help reduce transaction costs and/or, create economies of scale for service access and/or delivery.

Strengthened vertical and horizontal linkages will enable pastoralists' and traders' to better access markets, inputs, and services (e.g., animal health services, finance, breeding, etc). In working with stakeholders to strengthen these linkages, REGAL-AG aims to empower vertically and/or horizontally linked actors to work together to resolve joint interests. The Contractor will work with stakeholders and their organizations to address the systemic constraints to competitiveness e.g. mistrust, rent seeking behaviors, and collusion that inhibit stakeholders' ability to solve problems collectively. Improving cooperation will require long-term efforts on the part of the REGAL-IR partner and the REGAL-AG Contractor on resolving relationships both within the value chain and related to resource governance.

REGAL-AG envisions a broader and deeper supply of quality inputs and services to livestock value chain actors through new business models and best practices in facilitating inclusive value chain upgrading and market linkages. Livestock value chain actors need access to a range of inputs and services for improved productivity, e.g. drugs and animal health services, planting materials (pasture seeds, seedlings, cuttings for fodder) and financial services. In collaboration with stakeholders, the Contractor needs to facilitate a process to ensure that these inputs and services are appropriate, widely accessible to pastoralists, affordable to manage risks, help increase livestock productivity and promote inclusive value chain development and growth. Collaboration between the government, private sector and civil society will be important in the provision of inputs and services such as animal health services, financial services (savings, credit, money transfer services, insurance), transport services and marketing information.

It will be important to identify what the private sector can deliver and what the government is mandated to provide and thereby provide appropriate support. The Contractor's ability to empower value chain stakeholders, civil society, and government to address both tangible constraints such as market access as well as intangible constraints such as social-cultural attitudes that discourage commercialization, will be key to improving the livelihoods of pastoralists. This success will hinge on reversing the current trends of herd accumulation by livestock keepers with larger herds during times of desperation at the expense of more vulnerable households with smaller herds. The ability of wealthier people to buy livestock when prices are low from the poorer livestock keepers contributes to vulnerability and reduced economic resilience.

Expected Results - In order to reach the objectives of this component, the Contractor will be responsible for the following results.

The Contractor shall:

- Increase off-take rate and number of animals passing through primary markets by changing the livestock keepers' mindset from subsistence to market orientation and promote livestock as a business.
- Increase value and volume of exports of live animals and livestock products (including meat, hides/skins/leather and milk).
- Increase benefits (financial and non-financial) from livestock marketing all along the value chain and particularly for poorer livestock keepers and women.
- Increase investment in infrastructure including marketing infrastructure (linkages to infrastructure investors) that reduces the cost of doing business related to the livestock sector and improve management of livestock markets.

- Improve access to effective or actionable information, improve transport services and reduce the cost of marketing thereby improving ease with which smallholders can market.
- Increase access for traders to capital and improve access to and use of financial services (credit, saving, remittance, insurance) all along the value chain.
- Improve learning and adoption of appropriate technologies and practices, increase investment in upgrading using improved technology, improved genetic material, purchased services and improved products.

The following is a list of illustrative activities that the Contractor may wish to consider when developing a program to meet the expected results listed above. The Contractor is not restricted to these activities and is encouraged to propose others that may also be innovative and/or believed to reach the results required above.

- *Develop and implement a strategy* in collaboration with REGAL-IR implementers to create incentives for more commercial behavior and increased off-take rates that includes the poorest pastoralists.
- Based on a *situation analysis and consultations with pastoralists*, identify and implement strategies for expanding markets into rural areas, possibly rebuilding primary markets that have fallen into disrepair, and working collaboratively with other partners to ensure effective management of markets.
- *Strengthen vertical linkage between pastoralists and traders* to secondary and terminal markets – while addressing the nature of relationships and transactions (e.g., trust, distribution of benefits, and willingness to cooperate.
- *Increase access* to markets, financial services, secure transactions, and a whole range of information across gender, age, socioeconomic/wealth levels, and geographies.
- *Test business and/or marketing models* that leverage existing social and business networks and lead to improved and inclusive marketing arrangements benefiting pastoralists. These might include contract-based production, commission-based livestock sales, auctions or sales yards.
- *Test new and inclusive business models* for expanded value addition; scale up successful demonstrations of business models.
- *Strengthen the horizontal linkages* of pastoralists, traders, and other value chain actors that enable aggregation and facilitate market access.
- *Promote learning and innovation* among stakeholders that leads to improved competitiveness, greater inclusion of poorer pastoralists and women herders and traders, and greater transparency.
- *Support policy studies* of key constraints to the end-market diversification and strengthening dialogue between value chain stakeholders and government and other public sector institutions.
- *Assist* relevant GoK institutions in implementing a plan to increase internal trade and exports for live animals and livestock products. Activities might include:
    a) Support provision of preventive and curative animal health services.
    b) Assistance to value chain actors for research and action planning to meet commodity-based trade standards and defining a way forward (probably a five- to 10-year plan) to set up a commodity-based trade system for meat export.
    c) Cost-sharing grants to coalitions of private sector and government agencies, for market assessment trips for meat and live animals to relevant markets such as Egypt, Yemen, Saudi, GCC states; for leather to major H&S and leather importing countries.
    d) Development of standards for "Kenya Brand" meat and leather, and assistance to processors and exporters to understand and meet new standards.

- *Develop and test innovative business models* and technologies to commercialize and scale up fodder and pasture production.
- *Promote existing* but successful and or develop innovative financial products, services and delivery channels for the livestock sector.
- *Engage value chain actors* in the management of livestock transport.

Component 3 – Improving Livestock Productivity and Expanding Livestock-Related Economic Opportunities

Approach - Improvements in livestock productivity will build on REGAL-AG's systemic approach to livestock value chain strengthening and expanded livestock-based economic growth. Improved productivity depends on a well-functioning value chain and the overall development of the livestock market system. Productivity is interconnected with end market demand, access to input and service markets (e.g., agro-vets, financial services, animal health service), and conducive and supportive policies. REGAL-AG defines livestock productivity as the production of healthier animals with attributes valued in the market place, and increasing numbers of animals being marketed from pastoralist herds. Productivity is further indicated by efficiencies and profits in other links in the value chain. Increased off-take of animals, stronger linkages between traders and pastoralists, and higher prices at end markets are the results that will validate the REGAL-AG approach to increased livestock productivity.

Low levels of rangeland biomass production and dispersed water availability in arid lands mean that livestock productivity depends on the ability of pastoralists to move animals over long distances. REGAL-AG recognizes the experience and indigenous knowledge that pastoralists have in managing their animals in the face of cyclical availability of forage and pastures, recurrent drought, and frequent disease outbreaks. Notwithstanding, human and animal pressure on the fragile arid lands ecosystem has led to degraded pastures and the systematic disappearance of pasture species palatable to animals. These pressures pose major challenges for pastoralists to maintain optimum productivity and require a change in current practices, which often are based more on tradition than market orientation.

Public services, such as extension and animal health provided by GoK's Departments of Livestock Production and Veterinary Services respectively, form a key component of the enabling environment underpinning productivity of herds and flocks and the economic contribution of the livestock value chain of the arid lands.

Improving productivity also requires a number of management skills on the part of pastoralists. They must select breeds and maintain breeding stock that is valued in the market place and can survive, thrive and produce in an environment characterized by low levels of forage dry matter. All livestock must produce and reproduce in an environment marked by long distances and periods between watering, frequent disease outbreaks and high levels of internal and external parasites. The foundation of a productive livestock value chain is pastoralists who can deliver high numbers of breeding stock and market animals to buyers.

The REGAL-AG approach to productivity recognizes that the transformative processes that move pastoralists toward a greater market orientation starts from a base of socio-cultural roles that animals play in the lives of pastoralists. The REGAL-AG Contractor's strategies will be sensitive to these intangible influences on herd structure, breed selection and flock management decisions with a transformation facilitation process that lays out feasible strategies for improved productivity that pastoralists themselves select, try and adopt.

Diverse sources of income are important for both men and women pastoralists to protect against shocks and stress events, smooth consumption, and build assets. Diversified products and services can support the overall livestock market system, through provision of inputs and services, fostering growth in demand for animals, and increasing resilience in the overall value chain. In the context of the overall growth and development of the livestock value chain, the REGAL-AG Contractor will expand and diversify economic opportunities linked to livestock. Diversification of economic activities is an important strategy for managing risk across pastoralist groups by 1) providing alternatives to livestock keeping as a source of income for those *moving out*, 2) supplementing and smoothing income in order to reducing vulnerability to irregular livestock income for those *hanging in*, 3) providing wider income opportunities for those *branching out*, and 4) protecting the gains for those *stepping up*.

The approach to expanding and diversifying livestock-related economic opportunities follows the principles and practices of a value chain approach. It will start with an assessment of end market demand for the products/services and map out each value chain to identify constraints and opportunities for men, women, youth and vulnerable groups to enter the chain, access resources to upgrade, build commercial relationships, and link to end markets. Using a systems approach it will identify, test, and adapt, as necessary, strategic points of intervention to expand and diversify livestock-related products/services. Working collaboratively, the REGAL-AG Contractor and the REGAL-IR partner will have the expertise to conduct market assessments and identify a range of viable new economic opportunities for which there is demonstrated interest on the part of pastoralists, including women living in sedentary communities.

Expected Results - In order to reach the objectives of this component, the Contractor will be responsible for the following results.

The Contract shall:

- Increase weaning and survival rates through improved animal husbandry.
- Increase investments in preventative animal health care services and reduce disease outbreaks.
- Increase levels of cash income in pastoralist households from their animals.
- Increase sale of livestock-related services, inputs and products flowing to markets inside and outside Marsabit and Garissa Counties.
- Form new businesses, many with majority ownership by women and led by women meeting market specifications, engage with market intermediaries in commercial agreements, able to provide quality services and products, and manage finances.

Illustrative Activities - The following is a list of illustrative activities that the Contractor may wish to consider when developing a program to meet the expected results listed above. The Contractor is not restricted to these activities and is encouraged to propose others that may also be innovative and/or believed to reach the results required above.

- In collaboration with the GoK's Vet Department, *strengthen disease surveillance, reporting and control* through support for disease control infrastructure and design of effective disease control campaigns.
- *Provide households*, particularly those headed by women interested in diversifying income sources, and families affected by loss of animals, with new sources of income linked to the livestock value chain.
- In collaboration with technical personnel (in public sector and NGOs), traders and pastoralists, identify, screen, *pilot and scale up* feasible and appropriate technologies – breeding, animal nutrition/feeds, disease controls and improved management practices.
- *Training of technical support providers*, including REGAL-AG implementers in private and public sectors including training CBAHWs and linking them to strengthened public sector animal health services and private veterinarians (where they exist).

- *Linkages of beneficiary groups* to technology, training and business development services related to the development of livestock-related products.
- *Start-up capital for new businesses* (e.g., for premises, equipment, or raw materials) and improved access to financial services, including saving and credit.
- *Support for pilot demonstrations* complemented by plans for rapid scale-up through local systems.

C.5 Cross Cutting Issues

Climate Change

USAID sees climate change and development as inextricably linked. Climate change is not just an environmental problem, but also a human problem with direct implications for food security, poverty, water scarcity, conflict infrastructure integrity, sanitation, disease, and survival. Climate change creates vulnerabilities for all countries and is likely to pose an additional challenge to sustainable development, especially in regions already at risk from food insecurity, ecosystem degradation, water scarcity, weak institutional capacity, and other social and economic stresses. USAID investments are working to spur reductions in global greenhouse gas emissions, increase carbon sequestration and to promote climate change adaptation in vulnerable countries and communities. In Kenya, USAID and other USG Agencies are working with the Government of Kenya to develop a Low Emission Development Strategy, and other programs are supporting carbon sequestration efforts.

Given the challenging environment of Kenya's arid lands and increasing rainfall variability and intensity, and frequency of extreme weather conditions, adaptation approaches should be mainstreamed into development planning to safeguard investments from drought, floods and other shocks. Strategies may include measures to increase livelihood resilience by strengthening stakeholder understanding of, and ability to respond to climate stressors and developing strategies to safeguard livestock, food production, water provision and infrastructure from negative impacts. By integrating climate change as a cross-cutting issue with other programming, USAID requests offerors to address the potential impact of climate stressors on the intervention(s) being proposed. Visit http://www.usaid.gov/our_work/environment/climate/ for more information on USAID climate change programs and tools.

Health and HIV/AIDS

REGAL-AG will work with the USAID/Kenya to develop strategies, interventions and messages, and identify the appropriate venue for activities that will support the President's Emergency Program for AIDS Response (PEPFAR) objectives. REGAL-AG will look for innovative entry points to embed HIV/AIDS messages in the program. For example, it is well known that HIV/AIDS travels along transport routes. When working with private sector businesses, banks, etc., REGAL-AG must be proactive and innovative in working with these firms to develop work place-based programs in HIV/AIDS training and messages for employees.

Environmental Compliance

(a) The Foreign Assistance Act of 1961, as amended, Section 117 requires that the impact of USAID's activities on the environment be considered and that USAID include environmental sustainability as a central consideration in designing and carrying out its development programs. This mandate is codified in Federal Regulations (22 CFR 216) and in USAID's Automated Directives System (ADS) Parts 201.5.10g and 204 (http://www.usaid.gov/policy/ads/200/), which, in part, require that the potential environmental impacts of USAID-financed activities are identified prior to a final decision to proceed and that appropriate environmental safeguards are adopted for all activities. Contractor environmental compliance obligations under these regulations and procedures are specified in the following paragraphs of this Agreement.

(b) In addition, the Recipient must comply with host country environmental regulations unless otherwise directed in writing by USAID. In case of conflict between host country and USAID regulations, the latter shall govern.

(c) No activity funded under this Agreement will be implemented unless an environmental threshold determination, as defined by 22 CFR 216, has been reached for that activity, as documented in a Request for Categorical Exclusion (RCE), Initial Environmental Examination (IEE), or Environmental Assessment (EA) duly signed by the Bureau Environmental Officer (BEO). (Hereinafter, such documents are described as "approved Regulation 216 environmental documentation.")

Information and Communication Technologies (ICT)

ICT includes internet access, presence and web-based applications; voice, text and applications on mobile phone networks; radios, stand-alone videos and digital photos; global position system (GPS) location information and combinations of all of these. Given the cross-border character of some of the livestock value chain and hence the inherent geographic distances the value chain will likely span within the region, ICT is an especially important tool to employ, where practical.

As part of evaluating potential uses for ICT in REGAL-AG, ICT access and affordability constraints will be considered as well as fast changing technological and business model innovations.

ICT can enhance a wide range of interventions to address priority constraints and power imbalances in the selected value chains. Any use of ICT should reflect best practices related to planning for financial sustainability (without on-going donor support) and scalability at the outset prior to implementation; leverage and adapt, where practical, applications used elsewhere successfully; and take advantage of the strong competition within the ICT sector in Kenya and the region. Further, it is important to assess where ICT offers a cost effective approach to increasing the impact of an activity.

Good practices, information regarding software platforms and examples of ICT applications that may be useful are available via a variety of sources including the USAID FACET Project website (http://kdid.org/projects/field-support/facet), the World Bank's ICT in Agriculture Sourcebook (http://www.ictinagriculture.org/ictinag/content/ict-agriculture-sourcebook), and for applications related to ICT-enabled agriculture extension services, see resources available from the USAID/Gates Foundation mFarmer Initiative http://www.gsma.com/mfarmer/.

C.6 Key Personnel

The following positions have been designated as key personnel, and are essential to the work being performed under this contract. It is critically important that proposed staff is complementary in skill and role and work together effectively as a complete team, under the Chief of Party, who will guide the entire project with a clear, consistent, and committed vision. Key Personnel are expected to have the ability to manage teams of professionals to produce key results.

Prior to replacing any of these individuals, the Contractor shall notify both the Contracting Officer and the Contracting Officer's Representative (COR) reasonably in advance and must submit written justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the project. No replacement shall be made by the Contractor without the written consent of the Contracting Officer.

Chief of Party (COP)
The Contractor shall provide a Chief of Party (COP) for the duration of the contract. Due to the challenging environment of the project area, including security concerns, the COP should be a Kenyan national. The Contractor shall delegate adequate authority to the COP to make all REGAL-AG project implementation decisions in Kenya and speak for the Contractor. The COP shall be responsible for all reporting to USAID and is expected to play a lead role in realization of project's results and interacting with key implementation actors and other development partners.

Minimum qualifications:

- Demonstrated expertise and at least 10 years professional experience working in livestock or agricultural development programs in the HoA especially in the pastoral areas.
- Minimum 5 years of work experience as COP/Senior Programme Manager or an equivalent position managing large (at least $5 million), complex livestock and/or agricultural development programs with a value chain growth and resilience focus, preferably within an African context. Experience working in Kenya or East Africa strongly preferred.
- Demonstrated effectiveness in strategic thinking and policy analysis and able to dialogue with host country government.
- Demonstrated ability to be collaborative across projects, flexible and creative.
- Strong communications and interpersonal skills with evidence of ability to productively interact with a wide range and levels of organizations (government, private sector, NGOs, research institutions).
- A minimum of a Master's degree in a relevant field or a Bachelor's degree in a relevant field with an additional 7 years' experience to the required minimums above.

Value Chain Competitiveness and Inclusiveness Expert

The Contractor shall provide a Value Chain Competitiveness and Inclusiveness Expert for the duration of the contract. He/she shall be the Deputy COP and will report to the COP. He/she will spearhead all aspects of the value chain approach and competeveness activities. He/she will also assist the COP in managing the project.

Minimum qualifications:

- Minimum of 10 years of regional/ international experience in economic growth, trade, value chain competitiveness, livestock, agricultural development, and/or food security programs. Preference will be given to those with considerable working experience in pastoral areas.
- Demonstrated success in implementing programs aimed at increasing the competitiveness and inclusiveness of value chains using facilitation approaches.
- Demonstrated knowledge of the latest developments in advancing good/best practices in value chain development (i.e., USAID's value chain and facilitation approach) that reaches the women, youth, the poor and very poor, creativity, willingness to innovate, think systemically and design catalytic.
- Demonstrated experience in collaborating across projects.
- Strong background in gender integration and women empowerment.
- A minimum of a Master's degree in a relevant discipline or a Bachelor's degree in a relevant field with an additional 7 years' experience to the required minimum above. Fields of discipline and

experience will be from area such as Animal Science/Livestock Development, Veterinary science, Agriculture, Agric. Economics, Agribusiness, and/or Entrepreneurship Development.

Livestock Specialist

The Contractor shall provide a Livestock Specialist for the duration of the contract. Due to the challenging environment of the project area, including security concerns and unique socio-cultural factors the Livestock Specialist should be a Kenyan national. The Livestock Specialist, who reports to the COP, is expected to play a lead role interacting with key implementing actors and other development partners and shall be responsible for all livestock development matters that, among others, include: improved livestock productivity, animal nutrition, animal health, breeding, and livestock marketing.

Minimum qualifications:

- Minimum of 10 years or more work experience of practical experience in livestock development, including livestock marketing and processing. Previous experience working in Kenya or East Africa strongly preferred.
- Minimum of 5 years managing or evaluating livestock development programs in the Horn of Africa, especially in the pastoral areas.
- A minimum of a Master's degree in a relevant discipline or a Bachelor's degree in a relevant field with an additional 7 years' experience to the required minimums above. Fields of discipline and experience will be in areas such as animal science, range management, livestock marketing, dairy/meat processing, agribusiness management and pastoral livestock systems.

Chief Financial Officer

The Contractor shall provide a Chief Financial Officer for the duration of the contract. The Chief Financial Officer shall report to the COP. He/she will be in charge of the overall financial management of the project including budgeting and preparing requisite financial statements and reports. The Chief Financial Officer will also be responsible for establishing and implementing the subcontracts required under the project.

Minimum qualifications:

- Minimum 10 years of financial management and administration experience for an international development project. Previous East African experience preferred.
- He/she should have experience in professional accounting and/or auditing, including at least 3 years' work experience with international donor reporting, preferably USAID reporting requirements.
- At least 3 years of experience managing sub-grants and sub-contracts, and demonstrated knowledge of USAID regulations related to the oversight of such instruments
- The Chief Financial Officer should have demonstrable analytical, organizational and written communication skills in English.
- A minimum of a Master's degree in a relevant discipline or a Bachelor's degree in a relevant field with an additional 7 years' experience to the required minimums above in areas such as accounting, finance or business administration and applied skills in developing and managing large budgets.

C.7 Coordination

C.7.1 Role of USAID

Principal responsibility for project management of REGAL-AG for USAID will reside with USAID/Kenya's Agriculture, Business and Environment Office (ABEO) and USAID/East Africa's Regional Assistance and Acquisition Office (RAAO).

The Contractor shall work with the USAID Contracting Officer's Representative (COR) for the REGAL-AG activity. The Contractor's Chief of Party or designee will communicate regularly with the COR at least on a monthly basis. On an as-needed basis, the staff composition of the meetings will be determined by the COR and the Contractor to reflect the special nature of the meetings; for example, instances when the Contractor's financial/administrative manager, key technical or field staff and other USAID staff will need to be in attendance.

USAID will be actively engaged in the development and execution of the activities outlined throughout this contract.

C.7.2 Relation with Other USG Projects

It is essential that the REGAL-AG project interface closely with other USAID projects, most importantly REGAL-IR which supports a community-driven development approach to build social, economic, and environmental resilience. The REGAL-AG Contractor shall coordinate closely with the REGAL-IR partner to find opportunities to collaborate and assist the partner in reaching its goals of focusing on diversification of livelihood opportunities, community management of natural resources, improving market access, disaster risk reduction and improving nutritional outcomes. This collaboration will ensure that USAID objectives are met while avoiding any duplication of services rendered, equipment delivered, or any redundancy of systems developed. As appropriate, the Contractor shall provide capacity-building assistance and mentoring, especially to local organizations, with which USAID has direct funding relationships.

The Contractor shall collaborate with on-going projects in USAID/Kenya's Office of Public Health (OPH), and with USAID/Kenya's Office of Education and Youth (EDY), particularly in the Yes Youth Can! project. The Contractor shall also collaborate with activities funded by USAID/East Africa, especially those funded by the Regional Economic Growth and Integration Office and diverse USAID/Washington-funded activities, particularly those of the Collaborative Research Support Projects.

The Contractor shall also pay particular attention to activities of the U.S. Department of Agriculture and the U.S. Peace Corps, both of which are expected to play significant complementary roles in the realization of project's objectives.

C.7.3 Coordination with Other Donor Activities

USAID/Kenya maintains a good relationship with other multilateral and bilateral development partners. Donor coordination will be an important part of the REGAL-AG project. The Contractor shall, under USAID guidance, ensure that proper coordination with other donor projects in the area of rural value chains and livestock exists. The Contractor shall keep other development partners informed about its activities, to disseminate reports and findings to other development partners, and to collaborate with other development partners on the full range of tasks as defined in the SOW. The REGAL-AG project shall stay informed about other development partners' activities so as to avoid duplication and to exploit opportunities to coordinate or collaborate in specific activities. The Contractor shall actively seek opportunities to promote leveraging of other development partners' activities and will exploit opportunities for developing public-private partnerships. The Contractor shall report on pertinent other donor contacts and relationships as part of its quarterly report.

The Contractor shall closely coordinate the activities of other development partners and government bodies, under the supervision of USAID.

C.8 Performance Monitoring Plan (PMP) and Illustrative M&E Indicators

Contractors are required to submit a draft Performance Monitoring Plan (PMP), which clearly and explicitly aligns with the proposed results framework and draft one-year Workplan. The PMP will specify indicators, targets, and methodologies that allow the Contractor and USAID/Kenya to monitor the progress of project activities towards achieving expected results and targets related to project objectives and accountability. Measuring specific outputs, outcomes and impacts will facilitate better understanding of which approaches are working under which conditions, and which activities need to be refined or strengthened within each of the respective components of the project. While USAID's evaluation policy calls for evaluative activities that focus on performance and impact, learning can also include activities between monitoring and impact evaluation and can underscore the need for mid-course corrections, while improving the results of project implementation, especially where projects are innovative.

The PMP will also serve as a central tool for addressing areas for increased coordination and/or integration among REGAL-AG components and with respect to the cross-sector activities—including those supported by USAID/Kenya, other USG initiatives and efforts by the GoK – contributing to the project's success. The PMP will also allow USAID to gauge the contractor's performance and understand any unforeseen changes in strategy to achieve intended results.

In developing the PMP, Contractors will draw from, but not be limited to, the various illustrative indicators highlighted above, many of which are drawn specifically from USAID's FtF Initiative. In addition, USAID is mandated to measure and update various result frameworks, these include: the Microenterprise Results Reporting (MRR) and the Foreign Assistance Coordination and Tracking System (FACTS). Contractors must familiarize themselves with these results frameworks and will incorporate key indicators from them into the proposed REGAL-AG PMP. Finally, bidders are invited to propose additional, specific metrics that might uniquely capture the effectiveness and impact of the REGAL-AG activity and its integration with the REGAL-IR activities and objectives.

For each indicator proposed in the PMP, a brief narrative will include the following:

- Data collection method;
- Data reliability and timeliness (i.e., intrinsic data quality); and
- Indicator validity (i.e., the relationship between the indicator and the desired output or result).

Wherever possible and appropriate, the PMP will be presented in tabular and/or graphical forms that portray progress over time, affording an executive audience an immediate sense of progress or the lack thereof. The PMP will be finalized in the first quarter of the project, while any subsequent changes to this plan will require concurrence from USAID.

The Contractor must plan and budget for project personnel to work with USAID/Kenya staff to finalize and update these frameworks throughout the life of the project. Furthermore, as outlined in greater detail below, the REGAL-AG Contractor will be required to collaborate with an external evaluation team, to assist in the process of designing a robust, high-quality and efficient M&E system that can adequately support the data needs of USAID/Kenya and a mandatory formal external evaluation process over the life of project.

[END OF SECTION C]

SECTION D - PACKAGING AND MARKING

D.1 752.7009 MARKING (JAN 1993)

(a) It is USAID policy that USAID-financed commodities and shipping containers, and project construction sites and other project locations be suitably marked with the USAID emblem. Shipping containers are also to be marked with the last five digits of the USAID financing document number. As a general rule, marking is not required for raw materials shipped in bulk (such as coal, grain, etc.), or for semi-finished products which are not packaged.

(b) Specific guidance on marking requirements should be obtained prior to procurement of commodities to be shipped, and as early as possible for project construction sites and other project locations. This guidance will be provided through the cognizant technical office indicated on the cover page of this contract, or by the Mission Director in the Cooperating Country to which commodities are being shipped, or in which the project site is located.

(c) Authority to waive marking requirements is vested with the Regional Assistant Administrators, and with Mission Directors.

(d) A copy of any specific marking instructions or waivers from marking requirements is to be sent to the Contracting Officer; the original should be retained by the Contractor.

D.2 BRANDING POLICY

The Contractor shall comply with the requirements of the policy directives and required procedures outlined in USAID Automated Directive System (ADS) 320.3.2 "Branding and Marking in USAID Direct Contracting" (version from January 8, 2007) at http://www.usaid.gov/policy/ads/300/320.pdf; and USAID "Graphic Standards Manual" available at www.usaid.gov/branding, or any successor branding policy.

As per 320.3.2 Branding and Marking in USAID Direct Contracts, USAID policy is to require exclusive branding and marking in USAID direct acquisitions. "Exclusive Branding" means that the program is positioned as USAID's, as showcased by the program name (e.g., "The USAID/Basic Education Program"). "Exclusive Marking" means Contractors may only mark USAID-funded programs, projects, activities, public communications, and commodities with the USAID Standard Graphic Identity and, where applicable, the host-country government or ministry symbol or another U.S. Government logo.

It is USAID's policy that Contractors' and Subcontractors' corporate identities or logos must not be used on USAID-funded program materials.

D.3 MARKING AND BRANDING STRATEGY

The Contractor shall submit a branding and marking plan no later than 30 days after award. The plan must be in accordance with ADS 320.3.2. The plan must be submitted to the COR for approval.

Anticipated elements of marking plan: Deliverables to be marked, include products, equipment and inputs delivered; places where program activities are carried out; external public communications, studies, reports, publications and informative and promotional products; and workshops, conferences, fairs, media related activities and any such events. Publications authored by Contractors or other non-USAID employees must include the following disclaimer on the title page: "The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government." Threats and restrictions to the security of the program need to be identified and assessed in order to request any necessary exception from the marking requirement in accordance with ADS 320.3.2.

USAID's web page contains the electronic version of the Graphic Standards Manual that is compulsory for all Contractors. Marking under this contract shall comply with the "USAID Graphics Standards Manual" available at http://www.usaid.gov/branding/acquisition.html.

[END OF SECTION D]

SECTION E - INSPECTION AND ACCEPTANCE

E.1. NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

NUMBER	TITLE	DATE
52.246-5	INSPECTION OF SERVICES—COST-REIMBURSEMENT	(APR 1984)

E.2. INSPECTION AND ACCEPTANCE

USAID inspection and acceptance of services, reports and other required deliverables or outputs shall take place at:

USAID/Kenya
c/o American Embassy
United Nations Avenue, Gigiri
Nairobi
Kenya

or at any other location where the services are performed and reports and deliverables or outputs are produced or submitted. The COR listed in Section G has been delegated authority to inspect and accept all services, reports and required deliverables or outputs.

[END OF SECTION E]

SECTION F - DELIVERIES OR PERFORMANCE

F.1. NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

NUMBER	TITLE	DATE
52.242-15	STOP-WORK ORDER	AUG 1989

F.2. PLACE OF PERFORMANCE

The place of performance under this contract is Kenya.

F.3. REPORTING REQUIREMENTS

The Contractor shall submit the following outputs to the USAID/Kenya COR or his/her designate. Each of the reports shall be submitted electronically using Microsoft Word, Excel, or PowerPoint software. All reports shall be written in plain, grammatically correct English. All reports are subject to approval by the USAID/Kenya COR. Written reports will be in the form of regular reports (as described below) as well as *ad hoc* written reports for which content and length will be determined jointly by the USAID/Kenya COR and the Contractor.

F.3.1 <u>Monthly Report</u>
The Contractor shall submit a brief monthly report with progress highlights and upcoming activities (1-2 pages). The report shall be submitted to the COR no later than the 2nd workday of each month.

F.3.2 <u>Quarterly Progress Report</u>
The Contractor shall submit a concise Quarterly Progress Report no later than thirty (30) days following the end of each calendar quarter. The reports shall be limited to twenty (20) pages and reflect the structure of the Annual Work Plan and the PMP, and address at least the following points:

- Activities completed under each planned intervention;
- Activities to be undertaken in the following quarter;
- Outputs accomplished and results realized in the quarter;
- Achievements of the quarter (and cumulative to date) as defined by the PMP;
- Aggregate outputs accomplished and results realized since project inception;
- Budget execution, clearly showing actual versus planned expenditures, and a forecast of the expenditures for the remainder of the project;
- Discuss and propose solutions to issues or problems that are affecting the delivery or timing of interventions, or the achievement of results of this project; and
- Electronic and hard copies of all reports, success stories, and other relevant documents prepared during the quarter (to be submitted as attachments).

Each quarterly report should be a stand-alone document and should summarize all activity since the beginning of the project. Quarterly reports shall be submitted to USAID on the same day as the quarterly financial report in Section F.3.6.

F.3.3 Annual Work Plan

The Annual Work Plan will form the basis for activities to be initiated in each year of the contract. For the purpose of the Annual Work Plan, "Annual" is defined according to the U.S. Government fiscal year: i.e. October 1st to September 30th.

The COR will collaborate with the Contractor in determining appropriate activities for each year. The COR will review and approve the Annual Work Plans. Modifications that respond to changed conditions may be made; however, major modifications to each Annual Work Plan are subject to the approval of the COR and CO. The Annual Work Plans will provide a detailed description, schedule, and expected results for activities in support of each component under the SOW.

Following review and comment by USAID, the Contractor shall prepare a Final Work Plan for each year. The Annual Work Plan for year one will be submitted within 60 days after contract award. Annual Work Plans after year one shall be submitted no later than September 1st of each year.

F.3.4 Final Contract Completion Report

At least 30 days prior to the end of the contract, the Contractor shall prepare and submit one electronic version (as a single MS Word file) of the Contract Completion Report to the COR which summarizes the accomplishments of this contract, methods of work used, recommendations regarding unfinished work and/or project continuation, and the financial status of the contract. The final Completion Report shall also contain an index of all reports and information products produced under this contract. Along with the Completion Report, a CD-ROM depository will be submitted, containing all written documents, reports and presentations. The depository shall be organized in a user-friendly system.

Once approved by the COR, the Contractor shall submit the final report to:

- the COR, the Controller Office and the Contracting Officer; and
- one copy, in electronic (preferred) or paper form (with all final documents) to one of the following:

  Online: **http://dec.usaid.gov**

  By mail (for pouch delivery):

  DEXS Document Submissions
  M/CIO/KM/DEC
  RRB M.01-010
  Washington, DC 20523-6100

F.3.5 Environmental Report

No later than 60 days after contract award and before starting activities in the field, the Contractor shall assess and identify any potential negative impacts of proposed activities on the environment and on human health. The Contractor shall design any mitigation plans. A report outlining the potential negative impacts and mitigation strategies will be submitted to USAID. Furthermore, project implementation will emphasize Integrated Pest Management (IPM) activities within the guidelines of a USAID-approved Pesticides Evaluation Report and Safer Use Action Plan (PERSUAP) submitted by the Contractor.

This process will ensure that activities will remain within the bounds of "Negative Determination with

Conditions" as described in the Initial Environmental Examination (IEE) for USAID/Kenya's Feed the Future Project, approved in June 2009.

F.3.6 Financial Report

The Contractor shall prepare and submit to the COR a Quarterly Financial Report that includes:

- Total amount obligated
- Total amount invoiced for
- Amount committed and disbursed to each sub-awardee
- Status of the Incentive Fee Pool

The Contractor shall submit this report to the COR 20 days before the end of each calendar quarter (e.g. March 11, June 10, September 10 and December 11), or on any other date as agreed between the USAID/Kenya COR and the Contractor. The Contractor shall prepare and submit to USAID/Kenya other financial reports as required under the contract.

F.3.7 Performance Management Plan (PMP)

The Contractor shall submit a draft PMP to the COR no later than 90 days after award. USAID shall review the draft and provide comments within 30 days after receipt of the draft PMP. The Contractor shall submit a final PMP no later than 30 days after receipt of comments from USAID. The final PMP shall be incorporated into the contract by reference.

F.3.9 Short-Term Consultant and Technical Reports

Upon completion of the services of each short-term consultant, the Contractor shall submit a report to the COR summarizing the activities, accomplishments and recommendations of the consultant. This can be either in written or verbal form as determined by the COR. In addition, the contractor shall provide copies of all technical reports including analyses, policy recommendations, comparative studies, etc. to the COR as these are developed.

F.4. PERFORMANCE STANDARDS

Evaluation of the Contractor's overall performance toward achievement of the objectives in Section C will be conducted jointly by the COR and the Contracting Officer, and shall form the basis of the Contractor's permanent performance record with regard to this contract. Evaluation of the Contractor's overall performance will be in accordance with FAR 42.15 and corresponding USAID procedures. The Contractor's performance will be evaluated annually and at contract completion, utilizing the following factors:

(1) Quality of Product or Service
(2) Cost Control
(3) Timeliness of Performance
(4) Business Relations
(5) Meeting Small Disadvantaged Business Subcontracting Requirements/Goals
(6) Effectiveness of Key Personnel and Subcontractors

F.5. 752.242-70 PERIODIC PROGRESS REPORTS (OCT 2007)

(a) The Contractor shall prepare and submit progress reports as specified in Section F.3 and F.4.

These reports are separate from the interim and final performance evaluation reports prepared by USAID in accordance with FAR 42.15 and internal Agency procedures, but they may be used by USAID personnel or their authorized representatives when evaluating the Contractor's performance.

(b) During any delay in furnishing a progress report required under this contract, the Contracting Officer may withhold from payment an amount not to exceed US$25,000 (or local currency equivalent) or 5 percent of the amount of this contract, whichever is less, until such time as the Contractor submits the report or the Contracting Officer determines that the delay no longer has a detrimental effect on the Government's ability to monitor the Contractor's progress.

[END OF SECTION F]

SECTION G - CONTRACT ADMINISTRATION DATA

G.1. 752.7003 DOCUMENTATION FOR PAYMENT (NOV 1998)

(a) Claims for reimbursement or payment under this contract must be submitted to the Paying Office indicated in the schedule of this contract. The Contracting Officer's Representative (COR) is the authorized representative of the Government to approve vouchers under this contract. The Contractor must submit either paper or fax versions of the SF-1034--Public Voucher for Purchases and Services Other Than Personal. Each voucher shall be identified by the appropriate USAID contract number, in the amount of dollar expenditures made during the period covered.

(1) The SF 1034 provides space to report by line item for products or services provided. The form provides for the information to be reported with the following elements:

Total Expenditures
[Document Number: XXX-X-XX-XXXX-XX]

Line Item No.	Description	Amt. vouchered to date	Amt. vouchered this period
001	Product/Service Desc. for Line Item 001	$XXXX.XX	$XXXX.XX
002	Product/Service Desc. for Line Item 002	$XXXX.XX	$XXXX.XX
Total		$XXXX.XX	$XXXX.XX

(2) The fiscal report shall include the following certification signed by an authorized representative of the Contractor:

The undersigned hereby certifies to the best of my knowledge and belief that the fiscal report and any attachments have been prepared from the books and records of the Contractor in accordance with the terms of this contract and are correct: the sum claimed under this contract is proper and due, and all the costs of contract performance (except as herewith reported in writing) have been paid, or to the extent allowed under the applicable payment clause, will be paid currently by the Contractor when due in the ordinary course of business; the work reflected by these costs has been performed, and the quantities and amounts involved are consistent with the requirements of this Contract; all required Contracting Officer approvals have been obtained; and appropriate refund to USAID will be made promptly upon request in the event of disallowance of costs not reimbursable under the terms of this contract.

BY: ____

TITLE: ____

DATE: ____

(b) Local currency payment. The Contractor is fully responsible for the proper expenditure and control of local currency, if any, provided under this contract. Local currency will be provided to the Contractor in accordance with written instructions provided by the Mission Director. The written instructions will also include accounting, vouchering, and reporting procedures. A copy of the instructions shall be provided to the Contractor's Chief of Party and to the Contracting Officer. The costs of bonding personnel responsible for local currency are reimbursable under this contract.

(c) Upon compliance by the Contractor with all the provisions of this contract, acceptance by the Government of the work and final report, and a satisfactory accounting by the Contractor of all Government-owned property for which the Contractor had custodial responsibility, the Government shall promptly pay to the Contractor any moneys (dollars or local currency) due under the completion voucher. The Government will make suitable reduction for any disallowance or indebtedness by the Contractor by applying the proceeds of the voucher first to such deductions and next to any unliquidated balance of advance remaining under this contract.

(d) The Contractor agrees that all approvals of the Mission Director and the Contracting Officer which are required by the provisions of this contract shall be preserved and made available as part of the Contractor's records which are required to be presented and made available by the clause of this contract entitled "Audit and Records--Negotiation".

G.2. ADMINISTRATIVE CONTRACTING OFFICE

The Administrative Contracting Office is:

Regional Acquisition and Assistance Office
USAID/East Africa
c/o American Embassy
United Nations Avenue, Gigiri
Nairobi, Kenya

International Address:

Regional Acquisition and Assistance Office
USAID/East Africa
United Nations Avenue, Gigiri
PO Box 629, Village Market 00621
Nairobi, Kenya

G.3. CONTRACTING OFFICER'S REPRESENTATIVE (COR)

The Contracting Officer's Representative:

Isaac Thendiu, USAID/Kenya/ABEO

G.4. TECHNICAL DIRECTIONS/RELATIONSHIP WITH USAID

(a) Technical Directions is defined to include:

(1) Written directions to the Contractor which fill in details, suggest possible lines of inquiry, or otherwise facilitate completion of work;

(2) Provision of written information to the Contractor which assists in the interpretation of drawings, specifications, or technical portions of the work statement;

(3) Review and, where required, provide written approval of technical reports, drawings, specifications, or technical information to be delivered. Technical directions must be in writing, and must be within the scope of the work as detailed in Section C.

(b) The COR is authorized by designation to take any or all action with respect to the following which could lawfully be taken by the Contracting Officer, except any action specifically prohibited by the terms of this Contract:

(1) Assure that the Contractor performs the technical requirements of the contract in accordance with the contract terms, conditions, and specifications.

(2) Perform or cause to be performed, inspections necessary in connection with a) above and require the Contractor to correct all deficiencies; perform acceptance for the Government.

(3) Maintain all liaison and direct communications with the Contractor. Written communications with the Contractor and documents shall be signed as "Contracting Officer’s Representative" with a copy furnished to the Contracting Officer.

(4) Issue written interpretations of technical requirements of Government drawings, designs, and specifications.

(5) Monitor the Contractor's production or performance progress and notify the Contractor in writing of deficiencies observed during surveillance, and direct appropriate action to effect correction. Record and report to the Contracting Officer incidents of faulty or nonconforming work, delays or problems.

(6) Obtain necessary security clearance and appropriate identification if access to Government facilities is required. If to be provided, ensure that Government furnished property is available when required.

LIMITATIONS: The COR is not empowered to award, agree to, or sign any contract (including delivery or purchase orders) or modifications thereto, or in any way to obligate the payment of money by the Government, except as stipulated in Section B.7. The COR may not take any action which may impact on the contract schedule, funds, scope or rate of utilization of LOE. All contractual agreements, commitments, or modifications shall be made only by the Contracting Officer.

(c) The COR is required to meet quarterly/semi-annually/annually with the Contractor and the Contracting Officer concerning performance of items delivered under this contract and any other administration or technical issues. Telephonic reports may be made if no problems are being experienced. Problem areas should be brought to the immediate attention of the Contracting Officer.

(d) In the absence of the designated COR, the COR may designate someone to serve as COR in their place. However, such action to direct an individual to act in the COR's stead shall immediately be communicated to the Contractor and the Contracting Officer.

(e) Contractual Problems - Contractual problems, of any nature, that may arise during the life of the contract must be handled in conformance with specific public laws and regulations (i.e. Federal Acquisition Regulation and Agency for International Development Acquisition Regulation). The Contractor and the COR shall bring all contracting problems to the immediate attention of the Contracting Officer. Only the Contracting Officer is authorized to formally resolve such problems. The Contracting

Officer will be responsible for resolving legal issues, determining contract scope and interpreting contract terms and conditions. The Contracting Officer is the sole authority authorized to approve changes in any of the requirements under this contract. Notwithstanding any clause contained elsewhere in this contract, the said authority remains solely with the Contracting Officer. These changes include, but will not be limited to the following areas: scope of work, price, quantity, technical specifications, delivery schedules, and contract terms and conditions. In the event the Contractor effects any changes at the direction of any other person other than the Contracting Officer, the change will be considered to have been made without authority.

(f) Failure by the Contractor to report to the Administrative Contracting Office, any action by the Government considered to a change, within the specified number of days contained in FAR 52.243-7 (Notification of Changes), waives the Contractor's right to any claims for equitable adjustments.

G.5. PAYING OFFICE

The paying office for this contract is:

USAID/EA/RFMS
c/o American Embassy
United Nations Ave. Gigiri
P.O. Box 629, Village Market-00621
Nairobi, Kenya

G.6. INVOICING INSTRUCTIONS

Completed SF-1034 “Voucher for Services for Other Than Personal” and relevant invoices and other documentation shall be submitted electronically (e-mail is the preferred method) to nairobirfmcpayments@usaid.gov. The subject line of the email shall read Award No. and name of the Contractor. The SF-1034 and all requests for payment must be sent to the e-mail address above with a copy to the COR. When submitting requests for payment, please follow the instructions below.

- Send via email, one invoice, all other required supporting documents, and SF-1034 Public Voucher for Purchases and Services Other Than Personal.
- The SF-1034 must be signed,
- The invoice should provide the bank account details which should include the bank account number, the bank name and address, the SWIFT Code and the ABA number.

G.7. ACCOUNTING AND APPROPRIATION DATA

TBD

[END OF SECTION G]

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1. NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

NUMBER	TITLE	DATE
752.7027	PERSONNEL	DEC 1990

H.2. 752.225-70 SOURCE AND NATIONALITY REQUIREMENTS (FEB 2012)

(a) Except as may be specifically approved by the Contracting Officer, the Contractor must procure all commodities (e.g., equipment, materials, vehicles, supplies) and services (including commodity transportation services) in accordance with the requirements at 22 CFR Part 228 “Rules on Procurement of Commodities and Services Financed by USAID Federal Program Funds.” The authorized source for procurement is Geographic Code 937 unless otherwise specified in the schedule of this contract. Guidance on eligibility of specific goods or services may be obtained from the Contracting Officer.
(b) Ineligible goods and services. The Contractor must not procure any of the following goods or services under this contract:

(1) Military equipment
(2) Surveillance equipment
(3) Commodities and services for support of police and other law enforcement activities
(4) Abortion equipment and services
(5) Luxury goods and gambling equipment, or
(6) Weather modification equipment.

(c) Restricted goods. The Contractor must obtain prior written approval of the Contracting Officer or comply with required procedures under an applicable waiver as provided by the Contracting Officer when procuring any of the following goods or services:

(1) Agricultural commodities,
(2) Motor vehicles,
(3) Pharmaceuticals and contraceptive items
(4) Pesticides,
(5) Fertilizer,
(6) Used equipment, or
(7) U.S. government-owned excess property.

If USAID determines that the Contractor has procured any of these specific restricted goods under this contract without the prior written authorization of the Contracting Officer or fails to comply with required procedures under an applicable waiver as provided by the Contracting Officer, and has received payment for such purposes, the Contracting Officer may require the Contractor to refund the entire amount of the purchase.

H.3. 752.7004 EMERGENCY LOCATOR INFORMATION (JUL 1997)

The Contractor agrees to provide the following information to the Mission Administrative Officer on or before the arrival in the host country of every contract employee or dependent:

(1) The individual's full name, home address, and telephone number.

(2) The name and number of the contract, and whether the individual is an employee or dependent.

(3) The Contractor's name, home office address, and telephone number, including any after-hours emergency number(s), and the name of the Contractor's home office staff member having administrative responsibility for the contract.

(4) The name, address, and telephone number(s) of each individual's next of kin.

(5) Any special instructions pertaining to emergency situations such as power of attorney designees or alternate contact persons.

H.4. 752.7005 SUBMISSION REQUIREMENTS FOR DEVELOPMENT EXPERIENCE DOCUMENTS (JAN 2004)

(a) Contract Reports and Information/Intellectual Products.
(1) The Contractor shall submit to USAID's Development Experience Clearinghouse (DEC) copies of reports and information products which describe, communicate or organize program/project development assistance activities, methods, technologies, management, research, results and experience as outlined in the Agency's ADS Chapter 540. Information may be obtained from the Contracting Officer's Representative (COR). These reports include: assessments, evaluations, studies, development experience documents, technical reports and annual reports. The Contractor shall also submit to copies of information products including training materials, publications, databases, computer software programs, videos and other intellectual deliverable materials required under the Contract Schedule. Time-sensitive materials such as newsletters, brochures, bulletins or periodic reports covering periods of less than a year are not to be submitted.
(2) Upon contract completion, the Contractor shall submit to DEC an index of all reports and information/intellectual products referenced in paragraph (a)(1) of this clause.
(b) Submission requirements.
(1) Distribution. (i) At the same time submission is made to the COR, the Contractor shall submit, one copy each, of contract reports and information/intellectual products (referenced in paragraph (a)(1) of this clause) in either electronic (preferred) or paper form to one of the following: (A)

Via E-mail: docsubmit@dec.cdie.org ; (B) Via U.S. Postal Service: Development Experience Clearinghouse, 8403 Colesville Road, Suite 210, Silver Spring, MD 20910, USA; (C) Via Fax: (301) 588-7787; or (D) Online:
http://www.dec.org/index.cfm?fuseaction=docSubmit.home.

(ii) The Contractor shall submit the reports index referenced in paragraph (a)(2) of this clause and any reports referenced in paragraph (a)(1) of this clause that have not been previously submitted to DEC, within 30 days after completion of the contract to one of the address cited in paragraph (b)(1)(i) of this clause.

(2) Format. (i) Descriptive information is required for all Contractor products submitted. The title page of

all reports and information products shall include the contract number(s), Contractor name(s), name of the USAID cognizant technical office, the publication or issuance date of the document, document title, author name(s), and strategic objective or activity title and associated number. In addition, all materials submitted in accordance with this clause shall have attached on a separate cover sheet the name, organization, address, telephone number, fax number, and Internet address of the submitting party.
(ii) The report in paper form shall be prepared using non-glossy paper (preferably recycled and white or off-white) using black ink. Elaborate art work, multicolor printing and expensive bindings are not to be used. Whenever possible, pages shall be printed on both sides.
(iii) The electronic document submitted shall consist of only one electronic file which comprises the complete and final equivalent of the paper copy.
(iv) Acceptable software formats for electronic documents include WordPerfect, Microsoft Word, and Portable Document Format (PDF). Submission in PDF is encouraged.
(v) The electronic document submission shall include the following descriptive information:
(A) Name and version of the application software used to create the file, e.g., WordPerfect Version 9.0 or Acrobat Version 5.0.
(B) The format for any graphic and/or image file submitted, e.g., TIFF-compatible.
(C) Any other necessary information, e.g. special backup or data compression routines, software used for storing/retrieving submitted data or program installation instructions.

H.5. INSURANCE AND SERVICES

52.228-3 Workers' Compensation Insurance (Defense Base Act) (Apr 1984)

The Contractor shall (a) provide, before commencing performance under this contract, such workers' compensation insurance or security as the Defense Base Act (42 U.S.C. 1651, *et seq.*) requires and (b) continue to maintain it until performance is completed. The Contractor shall insert, in all subcontracts under this contract to which the Defense Base Act applies, a clause similar to this clause (including this sentence) imposing upon those Subcontractors this requirement to comply with the Defense Base Act.

752.228-3 Worker's Compensation Insurance (Defense Base Act).

(a) The Contractor agrees to procure Defense Base Act (DBA) insurance pursuant to the terms of the contract between USAID and USAID's DBA insurance carrier unless the Contractor has a DBA self-insurance program approved by the Department of Labor or has an approved retrospective rating agreement for DBA.

(b) If USAID or the Contractor has secured a waiver of DBA coverage (see AIDAR 728.305-70(a)) for Contractor's employees who are not citizens of, residents of, or hired in the United States, the Contractor agrees to provide such employees with worker's compensation benefits as required by the laws of the country in which the employees are working, or by the laws of the employee's native country, whichever offers greater benefits.

(c) The Contractor further agrees to insert in all subcontracts hereunder to which the DBA is applicable, a clause similar to this clause, including this sentence, imposing on all Subcontractors a like requirement to provide overseas workmen's compensation insurance coverage and obtain DBA coverage under the USAID requirements contract.

(d) Allied World Assurance Company is the only insurance underwriter authorized to write DBA insurance under USAID contracts. To obtain DBA insurance, Contractors are to contact Allied's agent, Aon Risk Insurance Services West, Inc. at:

(1) 199 Fremont St., Suite 1400
San Francisco, CA 94105

Primary Contact: Fred Robinson; Phone: (415) 486-7516; Email: Fred.Robinson@aon.com
Secondary Contact: Angela Falcone; Phone: (415) 486-7000; Email: Angela.Falcone@aon.com

OR

(2) 1120 20th St., N.W., Suite 600
Washington D.C. 20036

Primary Contact: Ellen Rowan; Phone: (202) 862-5306; Email: Ellen.Rowan@aon.com
Secondary Contact: Chris Thompson; Phone: (202) 862-5302; Email: Chris.Thompson@aon.com

(e) The Contractor shall be entitled to be reimbursed for the cost of insurance provided to its employees pursuant to the contract clause at FAR 52.228-3, "Workers' Compensation Insurance (Defense Base Act)," at the USAID authorized rate (Please refer to latest AAPD) of employee remuneration. The Contractor is herein notified that DBA insurance coverage is a requirement for all prime Contractor employees and Subcontractor employees under this contract pursuant to FAR 52.228-3. DBA-covered employees are also entitled to benefits under the War Hazards Compensation Fund. As this is a U.S. Government established fund and its benefits are provided at no additional cost to the Contractor above the cost of DBA insurance, the Contractor is not entitled to reimbursement for War Hazards Compensation Fund coverage. If the Contractor provides additional accidental death and disability or life insurance to its employees, the cost of the additional insurance will be considered a fringe benefit and will be allowable as provided by FAR 31.205-6(m).

H.6. 752.228-70 MEDICAL EVACUATION (MEDEVAC) SERVICES (JULY 2007)

(a) Contractors must provide MEDEVAC service coverage to all U.S. citizen, U.S. resident alien, and Third Country National employees and their authorized dependents (hereinafter "individual") while overseas under a USAID-financed direct contract. USAID will reimburse reasonable, allowable, and allocable costs for MEDEVAC service coverage incurred under the contract. The Contracting Officer will determine the reasonableness, allowability, and allocability of the costs based on the applicable cost principles and in accordance with cost accounting standards.

(b) Exceptions.

(i) The Contractor is not required to provide MEDEVAC insurance to eligible employees and their dependents with a health program that includes sufficient MEDEVAC coverage as approved by the Contracting Officer.

(ii) The Mission Director may make a written determination to waive the requirement for such coverage. The determination must be based on findings that the quality of local medical services or other circumstances obviate the need for such coverage for eligible employees and their dependents located at post.

(c) Contractor must insert a clause similar to this clause in all subcontracts that require performance by Contractor employees overseas.

(d) Contractors are responsible for providing medical evacuation coverage for their employees. Medical evacuation costs are allowable as a direct cost. Medevac services costs are allowable as a direct cost.

H.7. AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for procurement of goods and services under this contract is 935.

H.8. LANGUAGE REQUIREMENTS

Contractor key personnel and/or consultants shall have English language S/4 proficiency to perform technical services.

H.9. AUTHORIZED WORK WEEK

No overtime or premium pay is authorized under this contract. A six-day workweek shall be authorized only on a case-by-case basis with prior approval from the Contracting Officer.

H.10. 752.228-9 CARGO INSURANCE

As prescribed in 728.313 (a), the following preface is to be used preceding the text of the clause at FAR 52.228-9:

(FAR 52.228)

Preface: To the extent that marine insurance is necessary or appropriate under this contract, the Contractor shall ensure that U.S. marine insurance companies are offered a fair opportunity to bid for such insurance. This requirement shall be included in all subcontracts under this contract.

H.11. 752.7012 PROTECTION OF THE INDIVIDUAL AS A RESEARCH SUBJECT (AUG 1995)

(a) Safeguarding the rights and welfare of human subjects in research conducted under a USAID contract is the responsibility of the Contractor. USAID has adopted the Common Federal Policy for the Protection of Human Subjects. USAID's Policy is found in Part 225 of Title 22 of the Code of Federal Regulations (the "Policy"). Additional interpretation, procedures, and implementation guidance of the Policy are found in USAID General Notice entitled "Procedures for the Protection of Human Subjects in Research Supported by USAID", issued April 19, 1995, as from time to time amended (a copy of which is attached to this contract). USAID's Cognizant Human Subjects Officer (CHSO) and USAID/W has oversight, guidance, and interpretation responsibility for the Policy.

(b) Contractors must comply with the Policy when humans are the subject of research, as defined in 22 CFR 225.102(d), performed as part of the contract, and Contractors must provide "assurance", as required by 22 CFR 225.103, that they follow and abide by the procedures in the Policy. See also Section 5 of the April 19, 1995, USAID General Notice which sets forth activities to which the Policy is applicable. The existence of a bona fide, applicable assurance approved by the Department of Health and Human Services (HHS) such as the "multiple project assurance" (MPA) will satisfy this requirement. Alternatively, Contractors can provide an acceptable written assurance to USAID as described in 22 CFR 225.103. Such assurances must be determined by the CHSO to be acceptable prior to any applicable research being initiated or conducted under the contract. In some limited instances outside the U.S., alternative systems for the protection of human subjects may be used provided they are deemed "at least equivalent" to those outlined in Part 225 (see 22 CFR 225.101(h)). Criteria and procedures for making this determination are described in the General Notice cited in the preceding paragraph.

(c) Since the welfare of the research subject is a matter of concern to USAID as well as to the Contractor, USAID staff, consultants and advisory groups may independently review and inspect research, and research processes and procedures involving human subjects, and based on such findings, the CHSO may prohibit research which presents unacceptable hazards or otherwise fails to comply with USAID procedures. Informed consent documents must include the stipulation that the subject's records may be subject to such review.

H.12. 752.7034 ACKNOWLEDGMENT AND DISCLAIMER (DEC 1991)

(a) USAID shall be prominently acknowledged in all publications, videos or other information/media products funded or partially funded through this contract, and the product shall state that the views expressed by the author(s) do not necessarily reflect those of USAID. Acknowledgments should identify the sponsoring USAID Office and Bureau or Mission as well as the U.S. Agency for International Development substantially as follows: "This [*publication, video or other information/media product (specify)*] was made possible through support provided by the Office of [ ], Bureau for [ ], U.S. Agency for International Development, under the terms of Contract No. [ ]. The opinions expressed herein are those of the author(s) and do not necessarily reflect the views of the U.S. Agency for International Development."

(b) Unless the Contractor is instructed otherwise by the cognizant technical office publications, videos or other information/media products funded under this contract and intended for general readership or other general use will be marked with the USAID logo and/or U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT appearing either at the top or at the bottom of the front cover or, if more suitable, on the first inside title page for printed products, and in equivalent/appropriate location in videos or other information/media products. Logos and markings of co-sponsors or authorizing institutions should be similarly located and of similar size and appearance.

H.13. EXECUTIVE ORDER ON TERRORISM FINANCING

The Contractor is reminded that U.S. Executive Orders (including E.O. 13224) and U.S. law prohibit transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism**.** FAR 25.701 prohibits agencies and their Contractors and Subcontractors from acquiring any supplies or services from individuals or organizations, if any proclamation, Executive Order, Office of Foreign Assets Control (OFAC) regulations, or statute administered by OFAC would prohibit such a transaction. Accordingly, the Contracting Officer must check the U.S. Department of the Treasury's OFAC List to ensure that the names of the Contractor and proposed Subcontractors (and individuals from those organizations who have been made known to them), are not on the list. Mandatory FAR clause 52.225-13 Restrictions on Certain Foreign Purchases is included by reference in Section I.1 of this contract. By accepting this contract, the Contractor acknowledges and agrees that it is aware of the list as part of its compliance with the requirements of that clause.

H.14. FOREIGN GOVERNMENT DELEGATIONS TO INTERNATIONAL CONFERENCES (JAN 2002)

Funds in this contract may not be used to finance the travel, per diem, hotel expenses, meals, conference fees or other conference costs for any member of a foreign government's delegation to an international conference sponsored by a public international organization, except as provided in ADS Mandatory Reference "Guidance on Funding Foreign Government Delegations to International Conferences [http://www.info.usaid.gov/pubs/ads/300/refindx3.htm] or as approved by the Contracting Officer's Representative (COR).

H.15. REPORTING OF FOREIGN TAXES

(a) Reports. The Contractor must annually submit a report by April 16 of the next year.

(b) Contents of Report. The reports must contain: (i) Contractor name. (ii) Contact name with phone, fax and email. (iii) Agreement number(s). (iv) Amount of foreign taxes assessed by a foreign government [each foreign government must be listed separately] on commodity purchase transactions valued at $500 or more financed with U.S. foreign assistance funds under this agreement during the prior U.S. fiscal year. (v) Only foreign taxes assessed by the foreign government in the country receiving U.S. assistance is to be reported. Foreign taxes by a third party foreign government are not to be reported. For example, if an assistance program for Lesotho involves the purchase of commodities in South Africa using foreign assistance funds, any taxes imposed by South Africa would not be reported in the report for Lesotho (or South Africa). (vi) Any reimbursements received by the Contractor during the period in (iv) regardless of when the foreign tax was assessed plus, for the interim report, any reimbursements on the taxes reported in (iv) received by the Contractor through October 31 and for the final report, any reimbursements on the taxes reported in (iv) received through March 31. (vii) The final report is an updated cumulative report of the interim report. (viii) Reports are required even if the Contractor/recipient did not pay any taxes during the report period. (ix) Cumulative reports may be provided if the Contractor/recipient is implementing more than one program in a foreign country.

(c) Definitions. For purposes of this clause: (i) "Agreement" includes USAID direct and country contracts, grants, cooperative agreements and interagency agreements. (ii) "Commodity" means any material, article, supply, goods, or equipment. (iii) "Foreign government" includes any foreign governmental entity. (iv) "Foreign taxes" means value-added taxes and custom duties assessed by a foreign government on a commodity. It does not include foreign sales taxes.

(d) Where. Submit the reports to:

USAID/EA/RFMS
c/o American Embassy
United Nations Ave. Gigiri
P.O. Box 629, Village Market-00621
Nairobi, Kenya

(e) Subagreements. The Contractor must include this reporting requirement in all applicable subcontracts, subgrants and other subagreements.

(f) For further information see http://www.state.gov/m/rm/c10443.htm.

H.16. USAID DISABILITY POLICY - ACQUISITION (DECEMBER 2004)

(a) The objectives of the USAID Disability Policy are (1) to enhance the attainment of United States foreign assistance program goals by promoting the participation and equalization of opportunities of

individuals with disabilities in USAID policy, country and sector strategies, activity designs and implementation; (2) to increase awareness of issues of people with disabilities both within USAID programs and in host countries; (3) to engage other U.S. government agencies, host country counterparts, governments, implementing organizations and other donors in fostering a climate of nondiscrimination against people with disabilities; and (4) to support international advocacy for people with disabilities. The full text of the policy paper can be found at the following website:
http://www.usaid.gov/about/disability/DISABPOL.FIN.html.

(b) USAID therefore requires that the Contractor not discriminate against people with disabilities in the implementation of USAID programs and that it make every effort to comply with the objectives of the USAID Disability Policy in performing this contract. To that end and within the scope of the contract, the Contractor's actions must demonstrate a comprehensive and consistent approach for including men, women and children with disabilities.

H.17. HOMELAND SECURITY PRESIDENTIAL DIRECTIVE -12

Homeland Security Presidential Directive-12 (HSPD-12) (September 2006)

In response to the general threat of unauthorized access to federal facilities and information systems, the President issued Homeland Security Presidential Directive-12. HSPD-12 requires all Federal agencies to use a common Personal Identity Verification (PIV) standard when identifying and issuing access rights to users of Federally-controlled facilities and/or Federal Information Systems. USAID will begin issuing HSPD-12 "smart card" IDs to applicable contracts, using a phased approach. Effective October 27, 2006, USAID will begin issuing new "smart card" IDs to new Contractors (and new Contractor employees) requiring routine access to USAID controlled facilities and/or access to USAID's information systems. USAID will begin issuance of the new smart card IDs to existing Contractors (and existing Contractor employees) on October 27, 2007. (Exceptions would include those situations where an existing Contractor (or Contractor employee) loses or damages his/her existing ID and would need a replacement ID prior to Oct 27, 2007. In those situations, the existing Contractor (or Contractor employee) would need to follow the PIV processes described below, and be issued one of the new smart cards.)

Accordingly, before a Contractor (including a Personal Services Contractor or a Contractor employee) may obtain a USAID ID (new or replacement) authorizing him/her routine access to USAID facilities, or logical access to USAID's information systems, the individual must provide two forms of identity source documents in original form and a passport size photo. One identity source document must be a valid Federal or state government-issued picture ID. (Overseas foreign nationals must comply with the requirements of the Regional Security Office.) USAID/W Contractors must contact the USAID Security Office to obtain the list of acceptable forms of documentation, and Contractors working in overseas Missions must obtain the acceptable documentation list from the Regional Security Officer. Submission of these documents, and related background checks, are mandatory in order for the Contractor to receive a building access ID, and before access will be granted to any of USAID's information systems. All Contractors must physically present these two source documents for identity proofing at their USAID/W or Mission Security Briefing. The Contractor or his/her Facilities Security Officer must return any issued building access ID and remote authentication token to USAID custody upon termination of the individual's employment with the Contractor or completion of the contract, whichever occurs first.

The Contractor must comply with all applicable HSPD-12 and PIV procedures, as described above, and any subsequent USAID or government-wide HSPD-12 and PIV procedures/policies, including any subsequent related USAID General Notices, Office of Security Directives and/or Automated Directives System (ADS) policy directives and required procedures. This includes HSPD-12 procedures established in USAID/Washington and those procedures established by the overseas Regional Security Office.

This includes HSPD-12 procedures established in USAID/Washington as well as those procedures established by the overseas Regional Security Office. In the event of inconsistencies between this clause and later issued Agency or government-wide HSPD-12 guidance, the most recent issued guidance should take precedence, unless otherwise instructed by the Contracting Officer.

The Contractor is required to include this clause in any subcontracts that require the Subcontractor or Subcontractor employee to have routine physical access to USAID space or logical access to USAID's information systems.

H.18. ORGANIZATIONAL CONFLICT OF INTEREST

Any concerns/issues related to Organizational Conflict of Interest MUST be brought to the attention of the Cognizant Contracting Officer as soon as it appears. See CIB 99-17: http://www.usaid.gov/business/business_opportunities/cib/pdf/cib9917.pdf

H.19. 752.7032 INTERNATIONAL TRAVEL APPROVAL AND NOTIFICATION REQUIREMENTS (JAN 1990)

Prior written approval by the Contracting Officer is required for all international travel directly and identifiably funded by USAID under this contract. The Contractor shall therefore present to the Contracting Officer's Representative (COR) an itinerary for each planned international trip, showing the name of the traveler, purpose of the trip, origin/destination (and intervening stops), and dates of travel, as far in advanced of the proposed travel as possible, but in no event less than three weeks before travel is planned to commence. The Contracting Officer's prior written approval may be in the form of a letter email or telegram or similar device or may be specifically incorporated into the schedule of the contract. At least one week prior to commencement of approved international travel, the Contractor shall notify the cognizant Mission, with a copy to the COR, of planned travel, identifying the travelers and the dates and times of arrival.

H.20. ENVIRONMENTAL COMPLIANCE

All projects funded by USAID must conform to USAID Environmental Procedures (22 CFR 216) requiring evaluation to ensure that any potential negative environmental impacts resulting from the project implementation are identified and mitigated. Through development of the Initial Environmental Examination (IEE) and ancillary Environmental Review Reports (ERR), Environmental Monitoring, and Mitigation Plan (EMMP), 22 CFR 216 ("Reg. 216") ensures that potential negative impacts to the environment and human safety (i.e., natural resource or public health) as a result of USAID-funded activities are identified and mitigation and monitoring measures proposed.

The IEE that is particular to this Statement of Work identifies some classes of activities that are **Categorically Excluded** from initial environmental examination as no environmental impacts are expected as a result of these activities. The IEE makes a threshold "**Negative Determination with Conditions"** for other selected activities that promote or support (i) increased productivity of targeted agricultural sub-sectors; (ii) development and strengthening of financial markets; (iii) development of small-scale technologies for micro-entrepreneurs to increase productivity and profitability; (iv) small-scale construction; (v) small-scale water development; vi) bio-safety systems and the use of bio-technology; (vii) the use of pesticides; and (viii) the generation, handling and disposal of hazardous agri-veterinary waste. In addition, the document describes procedures for undertaking environmental review of proposed activities and for monitoring compliance with "Conditions." USAID will ensure that the Contractor identifies potential environmental concerns of proposed activities, including those executed through sub-grantees, and plan any necessary mitigation at the work planning stage. This process will ensure activities remain Categorical Exclusions or within the bounds of the "Negative Determination with Conditions" as described in the IEE.

H.21. SMALL BUSINESS SUBCONTRACTING PLAN

The Contractor's small business subcontracting plan submitted on TBD is hereby incorporated by reference into the contract.

H.22. DISCLOSURE OF INFORMATION

(a) Contractors are reminded that information furnished under this solicitation may be subject to disclosure under the Freedom of Information Act (FOIA). Therefore, all items that are confidential to business, or contain trade secrets, proprietary, or personnel information must be clearly marked. Marking of items will not necessarily preclude disclosure when the U.S. Office of Personnel Management (OPM or The Government) determines disclosure is warranted by FOIA. However, if such items are not marked, all information contained within the submitted documents will be deemed to be releasable.

(b) Any information made available to the Contractor by the Government must be used only for the purpose of carrying out the provisions of this contract and must not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract.

(c) In performance of this contract, the Contractor assumes responsibility for protection of the confidentiality of Government records and must ensure that all work performed by its Subcontractors shall be under the supervision of the Contractor or the Contractor's responsible employees.

(d) Each officer or employee of the Contractor or any of its Subcontractors to whom any Government record may be made available or disclosed must be notified in writing by the Contractor that information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such information, by any means, for a purpose or to an extent unauthorized herein, may subject the offender to criminal sanctions imposed by 19 U.S.C. 641. That section provides, in pertinent part, that whoever knowingly converts to their use or the use of another, or without authority, sells, conveys, or disposes of any record of the United States or whoever receives the same with intent to convert it to their use or gain, knowing it to have been converted, shall be guilty of a crime punishable by a fine of up to $10,000, or imprisoned up to ten years, or both.

[END OF SECTION H]

PART II - CONTRACT CLAUSES

SECTION I - CONTRACT CLAUSES

I.1. NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

NUMBER	TITLE	DATE
52.202-1	DEFINITIONS	(JAN 2012)
52.203-3	GRATUITIES	(APR 1984)
52.203-5	COVENANT AGAINST CONTINGENT FEES	(APR 1984)
52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT	(SEP 2006)
52.203-7	ANTI-KICKBACK PROCEDURES	(OCT 2010)
52.203-8	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY	(JAN 1997)
52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY	(JAN 1997)
52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS	(OCT 2010)
52.203-13	CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT	(APR 2010)
52.203-14	DISPLAY OF HOTLINE POSTER(S)	(DEC 2007)
52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON POSTCONSUMER FIBER CONTENT PAPER	(MAY 2011)
52.204-7	CENTRAL CONTRACTOR REGISTRATION.	(APR 2008)
52.204-10	REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS.	(JUL 2010)
52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT	(DEC 2010)
52.215-2	AUDIT AND RECORDS - NEGOTIATIONS	(OCT 2010)
52.215-8	ORDER OF PRECEDENCE - UNIFORM CONTRACT FORMAT	(OCT 1997)
52.215-23	LIMITATIONS ON PASS-THROUGH CHARGES	(OCT 2009)
52.216-7	ALLOWABLE COST AND PAYMENT	(JUN 2011)
52.216-8	FIXED FEE	(JUN 2011)
52.217-2	CANCELLATION UNDER MULTIYEAR CONTRACTS	(OCT 1997)
52.219-4	NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS	(JUN 2011)
52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS	(JAN 2011)
52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN-ALTERNATE II	(JAN 2011)
52.219-16	LIQUIDATED DAMAGES-SUBCONTRACTING PLAN	(JAN 1999)
52.219-25	SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM-DISADVANTAGED STATUS AND REPORTING	(DEC 2010)
52.222-1	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES	(FEB 1997)
52.222-2	PAYMENT FOR OVERTIME PREMIUMS	(JUL 1990)

52.222-3	CONVICT LABOR	(JUN 2003)
52.222-21	PROHIBITION OF SEGREGATED FACILITIES	(FEB 1999)
52.222-26	EQUAL OPPORTUNITY	(MAR 2007)
52.222-29	NOTIFICATION OF VISA DENIAL	(JUN 2003)
52.222-35	EQUAL OPPORTUNITY FOR VETERANS	(SEP 2010)
52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES	(OCT 2010)
52.222-37	EMPLOYMENT REPORTS ON VETERANS	(SEP 2010)
52.222-40	NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT	(DEC 2010)
52.222-50	COMBATING TRAFFICKING IN PERSONS.	(FEB 2009)
52.222-54	EMPLOYMENT ELIGIBILITY VERIFICATION	(JAN 2009)
52.223-2	AFFIRMATIVE PROCUREMENT OF BIOBASED PRODUCTS UNDER SERVICE AND CONSTRUCTION CONTRACTS	(DEC 2007)
52.223-4	RECOVERED MATERIAL CERTIFICATION	(MAY 2008)
52.223-6	DRUG-FREE WORKPLACE.	(MAY 2001)
52.223-12	REFRIGERATION EQUIPMENT AND AIR CONDITIONERS	(DEC 2007)
52.223-17	AFFIRMATIVE PROCUREMENT OF EPA-DESIGNATED ITEMS IN SERVICE AND CONSTRUCTION CONTRACTS	(MAY 2008)
52.223-18	ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING	(AUG 2011)
52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES	(JUN 2008)
52.225-14	INCONSISTENCY BETWEEN ENGLISH VERSION AND TRANSLATION OF CONTRACT	(FEB 2000)
52.225-25	PROHIBITION ON CONTRACTING WITH ENTITIES ENGAGING IN SANCTIONED ACTIVITIES RELATING TO IRAN--REPRESENTATION AND CERTIFICATION	(NOV 2011)
52.226-6	PROMOTING EXCESS FOOD DONATION TO NONPROFIT ORGANIZATIONS	(MAR 2009)
52.227-1	AUTHORIZATION AND CONSENT	(DEC 2007)
52.227-2	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT	(DEC 2007)
52.227-14	RIGHTS IN DATA--GENERAL	(DEC 2007)
52.228-7	INSURANCE - LIABILITY TO THIRD PERSONS	(MAR 1996)
52.229-8	TAXES – FOREIGN COST-REIMBURSEMENT CONTRACTS	(MAR 1990)
52.230-2	COST ACCOUNTING STANDARDS	(OCT 2010)
52.230-6	ADMINSTRATION OF COST ACCOUNTING STANDARDS	(JAN 2010)
52.232-17	INTEREST	(OCT 2010)
52.232-18	AVAILABILITY OF FUNDS	(APR 1984)
52.232-22	LIMITATION OF FUNDS	(APR 1984)
52.232-23	ASSIGNMENT OF CLAIMS	(JAN 1986)
52.232-25	PROMPT PAYMENT	(OCT 2008)
	ALTERNATE I	(FEB 2002)
52.232-33	PAYMENT BY ELECTRONIC FUNDS TRANSFER - CENTRAL CONTRACTOR REGISTRATION	(OCT 2003)
52.233-1	DISPUTES	(JUL 2002)
52.233-3	PROTEST AFTER AWARD. (AUG 1996) - ALTERNATE I	(JUN 1985)
52.233-4	APPLICABLE LAW FOR BREACH OF CONTRACT CLAIM	(OCT 2004)
52.242-1	NOTICE OF INTENT TO DISALLOW COSTS	(APR 1984)
52.242-3	PENALTIES FOR UNALLOWABLE COSTS	(MAY 2001)
52.242-4	CERTIFICATION OF FINAL INDIRECT COSTS	(JAN 1997)
52.242-13	BANKRUPTCY	(JUL 1995)

52.243-2	CHANGES – COST REIMBURSEMENT	(AUG 1987)
	ALTERNATE I	(APR 1984)
52.244-2	SUBCONTRACTS	(OCT 2010)
	ALTERNATE I	(JUN 2007)
52.244- 5	COMPETITION IN SUBCONTRACTING	(DEC 1996)
52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS	(DEC 2010)
52.245-1	GOVERNMENT PROPOERTY	(AUG 2010)
52.245-9	USE AND CHARGES	(AUG 2010)
52.246-25	LIMITATION OF LIABILITY - SERVICES	(FEB 1997)
52.247-1	COMMERCIAL BILL OF LADING NOTATIONS	(FEB 2006)
52.247-63	PREFERENCE FOR U.S.-FLAG AIR CARRIERS	(JUN 2003)
52.248-1	VALUE ENGINEERING	(OCT 2010)
52.249-6	TERMINATION (COST-REIMBURSEMENT)	(MAY 2004)
52.249-14	EXCUSABLE DELAYS	(APR 1984)
52.253-1	COMPUTER GENERATED FORMS	(JAN 1991)

AIDAR CLAUSES (48 CFR CHAPTER7)

752.202-1	DEFINITIONS (JAN 1990)	
752.209-71	ORGANIZATIONAL CONFLICTS OF INTEREST DISCOVERED AFTER AWARD	(JUN 1993)
752.211-70	LANGUAGE AND MEASUREMENT	(JUN 1992)
752.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL DISADVANTAGED BUSINESSCONCERNS	
752.227-14	RIGHTS TO DATA – GENERAL	(OCT 2007)
752.228-7	INSURANCE-LIABILITY TO THIRD PERSONS	
752.245-70	GOVERNMENT PROPERTY-USAID REPORTING REQUIREMENTS	
752.245-71	TITLE TO AND CARE OF PROPERTY	(APR 1984)
752.7001	BIOGRAPHICAL DATA	(JUL 1997)
752.7002	TRAVEL AND TRANSPORTATION	(JAN 1990)
752.7006	NOTICES	(APR 1984)
752.7007	PERSONNEL COMPENSATION	(JUL 2007)
752.7008	USE OF GOVERNMENT FACILITIES OR PERSONNEL	(APR 1984)
752.7010	CONVERSION OF U.S. DOLLARS TO LOCAL CURRENCY	(APR 1984)
752.7011	ORIENTATION AND LANGUAGE TRAINING	(APR 1984)
752.7013	CONTRACTOR - MISSION RELATIONSHIPS	(OCT 1989)
752.7014	NOTICE OF CHANGES IN TRAVEL REGULATIONS	(JAN 1990)
752.7015	USE OF POUCH FACILITIES	(JUL 1997)
752.7025	APPROVALS	(APR 1984)
752.7027	PERSONNEL	(DEC 1990)
752.7028	DIFFERENTIALS AND ALLOWANCES	(JUL 1996)
752.7029	POST PRIVILEGES	(JUL 1993)
752.7031	LEAVE AND HOLIDAYS	(OCT 1989)
752.7033	PHYSICAL FITNESS	(JUL 1997)
752.7034	ACKNOWLEDGEMENT AND DISCLAIMER	(DEC 1991)
752.7035	PUBLIC NOTICES	(DEC 1991)

I.2. 52.209-9 UPDATES OF PUBLICLY AVAILABLE INFORMATION REGARDING RESPONSIBILITY MATTERS (FEB 2012)

a) The Contractor shall update the information in the Federal Awardee Performance and Integrity Information System (FAPIIS) on a semi-annual basis, throughout the life of the contract, by posting the required information in the Central Contractor Registration database via https://www.acquisition.gov.

(b) As required by section 3010 of the Supplemental Appropriations Act, 2010 (Pub. L. 111-212), all information posted in FAPIIS on or after April 15, 2011, except past performance reviews, will be publicly available. FAPIIS consists of two segments—

(1) The non-public segment, into which Government officials and the Contractor post information, which can only be viewed by—

(i) Government personnel and authorized users performing business on behalf of the Government; or

(ii) The Contractor, when viewing data on itself; and

(2) The publicly-available segment, to which all data in the non-public segment of FAPIIS is automatically transferred after a waiting period of 14 calendar days, except for—

(i) Past performance reviews required by subpart 42.15;

(ii) Information that was entered prior to April 15, 2011; or

(iii) Information that is withdrawn during the 14-calendar-day waiting period by the Government official who posted it in accordance with paragraph (c)(1) of this clause.

(c) The Contractor will receive notification when the Government posts new information to the Contractor's record.

(1) If the Contractor asserts in writing within 7 calendar days, to the Government official who posted the information, that some of the information posted to the non-public segment of FAPIIS is covered by a disclosure exemption under the Freedom of Information Act, the Government official who posted the information must within 7 calendar days remove the posting from FAPIIS and resolve the issue in accordance with agency Freedom of Information procedures, prior to reposting the releasable information. The Contractor must cite 52.209-9 and request removal within 7 calendar days of the posting to FAPIIS.

(2) The Contractor will also have an opportunity to post comments regarding information that has been posted by the Government. The comments will be retained as long as the associated information is retained, i.e., for a total period of 6 years. Contractor comments will remain a part of the record unless the Contractor revises them.

(3) As required by section 3010 of Pub. L. 111-212, all information posted in FAPIIS on or after April 15, 2011, except past performance reviews, will be publicly available.

(d) Public requests for system information posted prior to April 15, 2011, will be handled under Freedom of Information Act procedures, including, where appropriate, procedures promulgated under E.O. 12600.

I.3. 52.217-8 OPTION TO EXTEND SERVICES (NOV 1999)

The Government may require continued performance of any services within the limits and at the rates specified in the contract. These rates may be adjusted only as a result of revisions to prevailing labor rates provided by the Secretary of Labor. The option provision may be exercised more than once, but the total extension of performance hereunder shall not exceed 6 months. The Contracting Officer may exercise the option by written notice to the Contractor at any time within the period of performance of the contract.

I.4. 52.243-7 NOTIFICATION OF CHANGES (APR 1984)

(a) *Definitions.* "Contracting Officer," as used in this clause, does not include any representative of the Contracting Officer.

"Specifically Authorized Representative (SAR)," as used in this clause, means any person the Contracting Officer has so designated by written notice (a copy of which shall be provided to the Contractor) which shall refer to this paragraph and shall be issued to the designated representative before the SAR exercises such authority.

(b) *Notice.* The primary purpose of this clause is to obtain prompt reporting of Government conduct that the Contractor considers to constitute a change to this contract. Except for changes identified as such in writing and signed by the Contracting Officer, the Contractor shall notify the Administrative Contracting Officer in writing promptly, within 7 calendar days from the date that the Contractor identifies any Government conduct (including actions, inactions, and written or oral communications) that the Contractor regards as a change to the contract terms and conditions. On the basis of the most accurate information available to the Contractor, the notice shall state -

(1) The date, nature, and circumstances of the conduct regarded as a change;

(2) The name, function, and activity of each Government individual and Contractor official or employee involved in or knowledgeable about such conduct;

(3) The identification of any documents and the substance of any oral communication involved in such conduct;

(4) In the instance of alleged acceleration of scheduled performance or delivery, the basis upon which it arose;

(5) The particular elements of contract performance for which the Contractor may seek an equitable adjustment under this clause, including -

(i) What contract line items have been or may be affected by the alleged change;

(ii) What labor or materials or both have been or may be added, deleted, or wasted by the alleged change;

(iii) To the extent practicable, what delay and disruption in the manner and sequence of performance and effect on continued performance have been or may be caused by the alleged change;

(iv) What adjustments to contract price, delivery schedule, and other provisions affected by the alleged change are estimated; and

(6) The Contractor's estimate of the time by which the Government must respond to the Contractor's notice to minimize cost, delay or disruption of performance.

(c) *Continued performance.* Following submission of the notice required by paragraph (b) of this clause, the Contractor shall diligently continue performance of this contract to the maximum extent possible in accordance with its terms and conditions as construed by the Contractor, unless the notice reports a direction of the Contracting Officer or a communication from a SAR of the Contracting Officer, in either of which events the Contractor shall continue performance; provided, however, that if the Contractor regards the direction or communication as a change as described in paragraph (b) of this clause, notice shall be given in the manner provided. All directions, communications, interpretations, orders and similar actions of the SAR shall be reduced to writing promptly and copies furnished to the Contractor and to the Contracting Officer. The Contracting Officer shall promptly countermand any action which exceeds the authority of the SAR.

(d) *Government response.* The Contracting Officer shall promptly, within [ ] (to be negotiated) calendar days after receipt of notice, respond to the notice in writing. In responding, the Contracting Officer shall either -

(1) Confirm that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance;

(2) Countermand any communication regarded as a change;

(3) Deny that the conduct of which the Contractor gave notice constitutes a change and when necessary direct the mode of further performance; or

(4) In the event the Contractor's notice information is inadequate to make a decision under paragraphs (d)(1), (2), or (3) of this clause, advise the Contractor what additional information is required, and establish the date by which it should be furnished and the date thereafter by which the Government will respond.

(e) *Equitable adjustments*. (1) If the Contracting Officer confirms that Government conduct effected a change as alleged by the Contractor, and the conduct causes an increase or decrease in the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether changed or not changed by such conduct, an equitable adjustment shall be made -

(i) In the contract price or delivery schedule or both; and

(ii) In such other provisions of the contract as may be affected.

(2) The contract shall be modified in writing accordingly. In the case of drawings, designs or specifications which are defective and for which the Government is responsible, the equitable adjustment shall include the cost and time extension for delay reasonably incurred by the Contractor in attempting to comply with the defective drawings, designs or specifications before the Contractor identified, or reasonably should have identified, such defect. When the cost of property made obsolete or excess as a result of a change confirmed by the Contracting Officer under this clause is included in the equitable adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of the property. The equitable adjustment shall not include increased costs or time extensions for delay resulting from the Contractor's failure to provide notice or to continue performance as provided, respectively, in paragraphs (b) and (c) of this clause.

Note: The phrases "contract price" and "cost" wherever they appear in the clause, may be appropriately modified to apply to cost-reimbursement or incentive contracts, or to combinations thereof.

I.5. SUBMISSION OF TRANSPORTATION DOCUMENTS FOR AUDIT (FEB 2006)

(a) The Contractor shall submit to the address identified below, for prepayment audit, transportation documents on which the United States will assume freight charges that were paid--

(1) By the Contractor under a cost-reimbursement contract; and

(2) By a first-tier Subcontractor under a cost-reimbursement subcontract thereunder.

(b) Cost-reimbursement Contractors shall only submit for audit those bills of lading with freight shipment charges exceeding $100. Bills under $100 shall be retained on-site by the Contractor and made available for on-site audits. This exception only applies to freight shipment bills and is not intended to apply to bills and invoices for any other transportation services.

(c) Contractors shall submit the above referenced transportation documents to COR.

I.6. 752.219-70 USAID MENTOR- PROTÉGÉ PROGRAM (JUL 2007)

(a) Large and small businesses are encouraged to participate in the USAID Mentor-Protégé Program (the "Program"). Mentor firms provide eligible small business Protégés with developmental assistance to enhance their business capabilities and ability to obtain Federal contracts.

(b) Mentor firms are large prime contractors or eligible small business capable of providing developmental assistance. Protégé firms are small business as defined in 13 CFR Parts 121, 124, and 126.

(c) Developmental assistance is technical, managerial, financial, and other mutually beneficial assistance that aids Protégés. The costs for developmental assistance are not chargeable to the contract.

(d) Firms interested in participating in the Program are encouraged to contact the USAID Mentor-Protégé Program Manager (202-712-1500) for more information.

I.7. 752.7101 VOLUNTARY POPULATION PLANNING ACTIVITIES (JUN 2008)

(a) Requirements for Voluntary Sterilization Program. None of the funds made available under this contract shall be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any individual to practice sterilization.

(b) Prohibition on Abortion-Related Activities.
(1) No funds made available under this contract will be used to finance, support, or be attributed to the following activities: (i) procurement or distribution of equipment intended to be used for the purpose of inducing abortions as a method of family planning; (ii) special fees or incentives to any person to coerce or motivate them to have abortions; (iii) payments to persons to perform abortions or to solicit persons to undergo abortions; (iv) information, education, training, or communication programs that seek to promote abortion as a method of family planning; and (v) lobbying for or against abortion. The term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options.

(2) No funds made available under this contract will be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilizations as

a means of family planning. Epidemiologic or descriptive research to assess the incidence, extent or consequences of abortions is not precluded.

(c) The Contractor shall insert this provision in all subcontracts.

(d) *Voluntary Participation and Family Planning Methods.*
(1) The Contractor agrees to take any steps necessary to ensure that funds made available under this contract will not be used to coerce any individual to practice methods of family planning inconsistent with such individual's moral, philosophical, or religious beliefs.
Further, the Contractor agrees to conduct its activities in a manner which safeguards the rights, health and welfare of all individuals who take part in the program.
(2) Activities which provide family planning services or information to individuals, financed in whole or in part under this contract, shall provide a broad range of family planning methods and services available in the country in which the activity is conducted or shall provide information to such individuals regarding where such methods and services may be obtained.
(e) *Requirements for Voluntary Family Planning Projects.*
(1) A family planning project must comply with the requirements of this paragraph.
(2) A project is a discrete activity through which a governmental or nongovernmental organization or public international organization provides family planning services to people and for which funds obligated under this contract, or goods or services financed with such funds, are provided under this contract, except funds solely for the participation of personnel in short-term, widely attended training conferences or programs.
(3) Service providers and referral agents in the project shall not implement or be subject to quotas or other numerical targets of total number of births, number of family planning acceptors, or acceptors of a particular method of family planning. Quantitative estimates or indicators of the number of births, acceptors, and acceptors of a particular method that are used for the purpose of budgeting, planning, or reporting with respect to the project are not quotas or targets under this paragraph, unless service providers or referral agents in the project are required to achieve the estimates or indicators.
(4) The project shall not include the payment of incentives, bribes, gratuities or financial rewards to (i) any individual in exchange for becoming a family planning acceptor or (ii) any personnel performing functions under the project for achieving a numerical quota or target of total number of births, number of family planning acceptors, or acceptors of a particular method of contraception. This restriction applies to salaries or payments paid or made to personnel performing functions under the project if the amount of the salary or payment increases or decreases based on a predetermined number of births, number of family planning acceptors, or number of acceptors of a particular method of contraception that the personnel affect or achieve.
(5) No person shall be denied any right or benefit, including the right of access to participate in any program of general welfare or health care, based on the person’s decision not to accept family planning services offered by the project.
(6) The project shall provide family planning acceptors comprehensible information about the health benefits and risks of the method chosen, including those conditions that might render the use of the method inadvisable and those adverse side effects known to be consequent to the use of the method. This requirement may be satisfied by providing information in accordance with the medical practices and standards and health conditions in the country where the project is conducted through counseling, brochures, posters, or package inserts.
(7) The project shall ensure that experimental contraceptive drugs and devices and medical procedures are provided only in the context of a scientific study in which participants are advised of potential risks and benefits.
(8) With respect to projects for which USAID provides, or finances the contribution of, contraceptive commodities or technical services and for which there is no sub-contract or grant under this contract, the organization implementing a project for which such assistance is provided shall agree that the project will

comply with the requirements of this paragraph while using such commodities or receiving such services.
(9) (i) The Contractor shall notify USAID when it learns about an alleged violation in a project of the requirements of subparagraphs (3), (4), (5) or (7) of this paragraph; and (ii) the Contractor shall investigate and take appropriate corrective action, if necessary, when it learns about an alleged violation in a project of subparagraph (6) of this paragraph and shall notify USAID about violations in a project affecting a number of people over a period of time that indicate there is a systemic problem in the project.
(iii)The Contractor shall provide USAID such additional information about violations as USAID may request.

(f) *Additional Requirements for Voluntary Sterilization Programs.*

(1) The Contractor shall ensure that any surgical sterilization procedures supported in whole or in part by funds from this contract are performed only after the individual has voluntarily appeared at the treatment facility and has given informed consent to the sterilization procedure. Informed consent means the voluntary, knowing assent from the individual after being advised of the surgical procedures to be followed, the attendant discomforts and risks, the benefits to be expected, the availability of alternative methods of family planning, the purpose of the operation and its irreversibility, and the option to withdraw consent any time prior to the operation. An individual's consent is considered voluntary if it is based upon the exercise of free choice and is not obtained by any special inducement or any element of force, fraud, deceit, duress, or other forms of coercion or misrepresentation.

(2) Further, the Contractor shall document the patient's informed consent by

(i) a written consent document in a language the patient understands and speaks, which explains the basic elements of informed consent, as set out above, and which is signed by the individual and by the attending physician or by the authorized assistant of the attending physician; or

(ii) when a patient is unable to read adequately a written certification by the attending physician or by the authorized assistant of the attending physician that the basic elements of informed consent above were orally presented to the patient, and that the patient thereafter consented to the performance of the operation. The receipt of this oral explanation shall be acknowledged by the patient's mark on the certification and by the signature or mark of a witness who shall speak the same language as the patient.

(3) The Contractor must retain copies of informed consent forms and certification documents for each voluntary sterilization procedure for a period of three years after performance of the sterilization procedure.

(g) The Contractor shall insert this Alternate I in all subcontracts involving family planning activities.

[END OF SECTION I]

PART III LIST OF ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS

ATTACHMENT 1	**Background and Problem Statement**
ATTACHMENT 2	**REGAL Geographic Regions**
ATTACHMENT 3	**Institutional Framework**
ATTACHMENT 4	**REGAL Alignment with GoK Vision 2030**
ATTACHMENT 5	**Links to Relevant Donor Projects**
ATTACHMENT 6	**Theory of Change and Development Hypothesis**
ATTACHMENT 7	**REGAL-AG Illustrative M&E Indicators**
ATTACHMENT 8	**Acronyms**
ATTACHMENT 9	**Definitions**
ATTACHMENT 10	**Helpful Links**

PART IV REPRESENTATIONS AND INSTRUCTIONS

SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS

K.1. NOTICE LISTING SOLICITATION PROVISIONS INCORPORATED BY REFERENCE

The following solicitation provisions pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the FAR provision at FAR "52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE" in Section L of this solicitation. See FAR 52.252-1 for an internet address (if specified) for electronic access to the full text of a provision.

NUMBER	TITLE	DATE
52.203-11	CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS.	(SEP 2007)
52.222-38	COMPLIANCE WITH VETERANS' EMPLOYMENT REPORTING REQUIREMENTS	(SEP 2010)
52.223-1	BIOBASED PRODUCT CERTIFICATION	(DEC 2007)
52.223-4	RECOVERED MATERIAL CERTIFICATION	(MAY 2008)

K.2. 52.204-8 ANNUAL REPRESENTATIONS AND CERTIFICATIONS (FEB 2012)

(a)(1) The North American Industry Classification System (NAICS) code for this acquisition is 641611.
(2) The small business size standard is $7.0 million.
(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.
(b)(1) If the clause at 52.204-7, Central Contractor Registration, is included in this solicitation, paragraph (d) of this provision applies.
(2) If the clause at 52.204-7 is not included in this solicitation, and the offeror is currently registered in CCR, and has completed the ORCA electronically, the offeror may choose to use paragraph (d) of this provision instead of completing the corresponding individual representations and certifications in the solicitation. The offeror shall indicate which option applies by checking one of the following boxes:
[ ] (i) Paragraph (d) applies.
[ ] (ii) Paragraph (d) does not apply and the offeror has completed the individual representations and certifications in the solicitation.
(c)(1) The following representations or certifications in ORCA are applicable to this solicitation as indicated:
(i) 52.203-2, Certificate of Independent Price Determination. This provision applies to solicitations when a firm-fixed-price contract or fixed-price contract with economic price adjustment is contemplated, unless—
(A) The acquisition is to be made under the simplified acquisition procedures in Part 13;
(B) The solicitation is a request for technical proposals under two-step sealed bidding procedures; or
(C) The solicitation is for utility services for which rates are set by law or regulation.
(ii) 52.203-11, Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions. This provision applies to solicitations expected to exceed $150,000.
(iii) 52.204-3, Taxpayer Identification. This provision applies to solicitations that do not include the

clause at 52.204-7, Central Contractor Registration.
(iv) 52.204-5, Women-Owned Business (Other Than Small Business). This provision applies to solicitations that—
(A) Are not set aside for small business concerns;
(B) Exceed the simplified acquisition threshold; and
(C) Are for contracts that will be performed in the United States or its outlying areas.
(v) 52.209-2, Prohibition on Contracting with Inverted Domestic Corporations—Representation. This provision applies to solicitations using funds appropriated in fiscal years 2008, 2009, or 2010.
(vi) 52.209-5, Certification Regarding Responsibility Matters. This provision applies to solicitations where the contract value is expected to exceed the simplified acquisition threshold.
(vii) 52.214-14, Place of Performance—Sealed Bidding. This provision applies to invitations for bids except those in which the place of performance is specified by the Government.
(viii) 52.215-6, Place of Performance. This provision applies to solicitations unless the place of performance is specified by the Government.
(ix) 52.219-1, Small Business Program Representations (Basic & Alternate I). This provision applies to solicitations when the contract will be performed in the United States or its outlying areas.
(A) The basic provision applies when the solicitations are issued by other than DoD, NASA, and the Coast Guard.
(B) The provision with its Alternate I applies to solicitations issued by DoD, NASA, or the Coast Guard.
(x) 52.219-2, Equal Low Bids. This provision applies to solicitations when contracting by sealed bidding and the contract will be performed in the United States or its outlying areas.
(xi) 52.222-22, Previous Contracts and Compliance Reports. This provision applies to solicitations that include the clause at 52.222-26, Equal Opportunity.
(xii) 52.222-25, Affirmative Action Compliance. This provision applies to solicitations, other than those for construction, when the solicitation includes the clause at 52.222-26, Equal Opportunity.
(xiii) 52.222-38, Compliance with Veterans' Employment Reporting Requirements. This provision applies to solicitations when it is anticipated the contract award will exceed the simplified acquisition threshold and the contract is not for acquisition of commercial items.
(xiv) 52.223-1, Biobased Product Certification. This provision applies to solicitations that require the delivery or specify the use of USDA–designated items; or include the clause at 52.223-2, Affirmative Procurement of Biobased Products Under Service and Construction Contracts.
(xv) 52.223-4, Recovered Material Certification. This provision applies to solicitations that are for, or specify the use of, EPA–designated items.
(xvi) 52.225-2, Buy American Act Certificate. This provision applies to solicitations containing the clause at 52.225-1.
(xvii) 52.225-4, Buy American Act—Free Trade Agreements—Israeli Trade Act Certificate. (Basic, Alternate I, and Alternate II) This provision applies to solicitations containing the clause at 52.225-3.
(A) If the acquisition value is less than $25,000, the basic provision applies.
(B) If the acquisition value is $25,000 or more but is less than $50,000, the provision with its Alternate I applies.
(C) If the acquisition value is $50,000 or more but is less than $67,826, the provision with its Alternate II applies.
(xviii) 52.225-6, Trade Agreements Certificate. This provision applies to solicitations containing the clause at 52.225-5.
(xix) 52.225-20, Prohibition on Conducting Restricted Business Operations in Sudan—Certification. This provision applies to all solicitations.
(xx) 52.225-25, Prohibition on Contracting with Entities Engaging in Sanctioned Activities Relating to Iran—Representation and Certification. This provision applies to all solicitations.
(xxi) 52.226-2, Historically Black College or University and Minority Institution Representation. This provision applies to—
(A) Solicitations for research, studies, supplies, or services of the type normally acquired from higher

educational institutions; and
(B) For DoD, NASA, and Coast Guard acquisitions, solicitations that contain the clause at 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns.
(2) The following certifications are applicable as indicated by the Contracting Officer:
[*Contracting Officer check as appropriate.*]
__ (i) 52.219-22, Small Disadvantaged Business Status.
__ (A) Basic.
__ (B) Alternate I.
__ (ii) 52.222-18, Certification Regarding Knowledge of Child Labor for Listed End Products.
__ (iii) 52.222-48, Exemption from Application of the Service Contract Act to Contracts for Maintenance, Calibration, or Repair of Certain Equipment Certification.
__ (iv) 52.222-52, Exemption from Application of the Service Contract Act to Contracts for Certain Services–Certification.
__ (v) 52.223-9, with its Alternate I, Estimate of Percentage of Recovered Material Content for EPA–Designated Products (Alternate I only).
__ (vi) 52.227-6, Royalty Information.
__ (A) Basic.
__(B) Alternate I.
__ (vii) 52.227-15, Representation of Limited Rights Data and Restricted Computer Software.
(d) The offeror has completed the annual representations and certifications electronically via the Online Representations and Certifications Application (ORCA) website accessed through https://www.acquisition.gov. After reviewing the ORCA database information, the offeror verifies by submission of the offer that the representations and certifications currently posted electronically that apply to this solicitation as indicated in paragraph (c) of this provision have been entered or updated within the last 12 months, are current, accurate, complete, and applicable to this solicitation (including the business size standard applicable to the NAICS code referenced for this solicitation), as of the date of this offer and are incorporated in this offer by reference (see FAR 4.1201); except for the changes identified below [*offeror to insert changes, identifying change by clause number, title, date*]. These amended representation(s) and/or certification(s) are also incorporated in this offer and are current, accurate, and complete as of the date of this offer.

FAR Clause #	Title	Date	Change
____________	_________	_____	_______

Any changes provided by the offeror are applicable to this solicitation only, and do not result in an update to the representations and certifications posted on ORCA.

K.3. INSURANCE - IMMUNITY FROM TORT LIABILITY

The offeror represents that it [ ] is, [ ] is not a State agency or charitable institution, and that it [ ] is not immune, [ ] is partially immune, [ ] is totally immune from tort liability to third persons.

K.4. AGREEMENT ON, OR EXCEPTIONS TO, TERMS AND CONDITIONS

The Offeror has reviewed the solicitation (Sections B through J of which will become the contract) and [ ] agrees to the terms and conditions set forth therein; or [ ] has the following exceptions (continue on a separate attachment page, if necessary):

____
____
____

K.5. 52.209-5 CERTIFICATION REGARDING RESPONSIBILITY MATTERS (APR 2010)

(a)(1) The Offeror certifies, to the best of its knowledge and belief, that—
(i) The Offeror and/or any of its Principals—
(A) Are o are not o presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;
(B) Have o have not o, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) contract or subcontract; violation of Federal or State antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property (if offeror checks "have", the offeror shall also see 52.209-7, if included in this solicitation);
(C) Are o are not o presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision;
(D) Have o, have not o, within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds $3,000 for which the liability remains unsatisfied.
(1) Federal taxes are considered delinquent if both of the following criteria apply:
(i) *The tax liability is finally determined*. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge to the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
(ii) *The taxpayer is delinquent in making payment*. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.
(2) *Examples*.
(i) The taxpayer has received a statutory notice of deficiency, under I.R.C. § 6212, which entitles the taxpayer to seek Tax Court review of a proposed tax deficiency. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek Tax Court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.
(ii) The IRS has filed a notice of Federal tax lien with respect to an assessed tax liability, and the taxpayer has been issued a notice under I.R.C. § 6320 entitling the taxpayer to request a hearing with the IRS Office of Appeals contesting the lien filing, and to further appeal to the Tax Court if the IRS determines to sustain the lien filing. In the course of the hearing, the taxpayer is entitled to contest the underlying tax liability because the taxpayer has had no prior opportunity to contest the liability. This is not a delinquent tax because it is not a final tax liability. Should the taxpayer seek tax court review, this will not be a final tax liability until the taxpayer has exercised all judicial appeal rights.
(iii) The taxpayer has entered into an installment agreement pursuant to I.R.C. § 6159. The taxpayer is making timely payments and is in full compliance with the agreement terms. The taxpayer is not delinquent because the taxpayer is not currently required to make full payment.
(iv) The taxpayer has filed for bankruptcy protection. The taxpayer is not delinquent because enforced collection action is stayed under 11 U.S.C. 362 (the Bankruptcy Code).
(ii) The Offeror has o has not o, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.
(2) "Principal," for the purposes of this certification, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (*e.g.*, general manager; plant manager; head of a division or business segment; and similar positions).
This Certification Concerns a Matter Within the Jurisdiction of an Agency of the United States and the Making of a False, Fictitious, or Fraudulent Certification May Render the Maker Subject to Prosecution Under Section 1001, Title 18, United States Code.

(b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
(c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.
(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

K.6. 52.209-7 INFORMATION REGARDING RESPONSIBILITY MATTERS (FEB 2012)

(a) *Definitions*. As used in this provision—
"Administrative proceeding" means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (*e.g.*, Securities and Exchange Commission Administrative Proceedings, Civilian Board of Contract Appeals Proceedings, and Armed Services Board of Contract Appeals Proceedings). This includes administrative proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include agency actions such as contract audits, site visits, corrective plans, or inspection of deliverables.
"Federal contracts and grants with total value greater than $10,000,000" means—
(1) The total value of all current, active contracts and grants, including all priced options; and
(2) The total value of all current, active orders including all priced options under indefinite-delivery, indefinite-quantity, 8(a), or requirements contracts (including task and delivery and multiple-award Schedules).
"Principal" means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity (*e.g.*, general manager; plant manager; head of a division or business segment; and similar positions).
(b) The offeror [ ] has [ ] does not have current active Federal contracts and grants with total value greater than $10,000,000.
(c) If the offeror checked "has" in paragraph (b) of this provision, the offeror represents, by submission of this offer, that the information it has entered in the Federal Awardee Performance and Integrity Information System (FAPIIS) is current, accurate, and complete as of the date of submission of this offer with regard to the following information:
(1) Whether the offeror, and/or any of its principals, has or has not, within the last five years, in connection with the award to or performance by the offeror of a Federal contract or grant, been the subject of a proceeding, at the Federal or State level that resulted in any of the following dispositions:
(i) In a criminal proceeding, a conviction.
(ii) In a civil proceeding, a finding of fault and liability that results in the payment of a monetary fine, penalty, reimbursement, restitution, or damages of $5,000 or more.
(iii) In an administrative proceeding, a finding of fault and liability that results in—
(A) The payment of a monetary fine or penalty of $5,000 or more; or
(B) The payment of a reimbursement, restitution, or damages in excess of $100,000.
(iv) In a criminal, civil, or administrative proceeding, a disposition of the matter by consent or

compromise with an acknowledgment of fault by the Contractor if the proceeding could have led to any of the outcomes specified in paragraphs (c)(1)(i), (c)(1)(ii), or (c)(1)(iii) of this provision.
(2) If the offeror has been involved in the last five years in any of the occurrences listed in (c)(1) of this provision, whether the offeror has provided the requested information with regard to each occurrence.
(d) The offeror shall post the information in paragraphs (c)(1)(i) through (c)(1)(iv) of this provision in FAPIIS as required through maintaining an active registration in the Central Contractor Registration database via https://www.acquisition.gov (see 52.204-7).

K.7. 52.215-6 PLACE OF PERFORMANCE (OCT 1997)

(a) The offeror or respondent, in the performance of any contract resulting from this solicitation, [ ] intends, [ ] does not intend [check applicable block] to use one or more plants or facilities located at a different address from the address of the offeror or respondent as indicated in this proposal or response to request for information.

(b) If the offeror or respondent checks "intends" in paragraph (a) of this provision, it shall insert in the following spaces the required information:

Place of performance (street (street address, city, state, county, code)	Name and address of owner and operator of the plant or facility if other than offeror or respondent

K.8. 52.219-22 SMALL DISADVANTAGED BUSINESS STATUS (OCT 1999) ALTERNATE I (OCT 1998)

(a) General. This provision is used to assess an offeror's small disadvantaged business status for the purpose of obtaining a benefit on this solicitation. Status as a small business and status as a small disadvantaged business for general statistical purposes is covered by the provision at FAR 52.219-1, Small Business Program Representation.

(b) Representations.

(1) General. The offeror represents, as part of its offer, that it is a small business under the size standard applicable to this acquisition; and either--

[ ] (i) It has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B; and

(A) No material change in disadvantaged ownership and control has occurred since its certification;

(B) Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed $750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(C) It is identified, on the date of its representation, as a certified small disadvantaged business concern in the database maintained by the Small Business Administration (PRO-Net); or

[ ] (ii) It has submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

(2) [ ] For Joint Ventures. The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements at 13 CFR 124.1002(f) and that the representation in paragraph (b)(1) of this provision is accurate for the
small disadvantaged business concern that is participating in the joint venture. [The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture:____.

(3) Address. The offeror represents that its address [ ]_is, [ ] is not in a region for which a small disadvantaged business procurement mechanism is authorized and its address has not changed since its certification as a small disadvantaged business concern or submission of its application for certification. The list of authorized small disadvantaged business procurement mechanisms and regions is posted at http://www.arnet.gov/References/ sdbadjustments.htm. The offeror shall use the list in effect on the date of this solicitation. "Address," as used in this provision, means the address of the offeror as listed on the Small Business Administrations register of small disadvantaged business concerns or the address on the completed application that the concern has submitted to the Small Business Administration or a Private Certifier in accordance with 13 CFR part 124, subpart B. For joint ventures, "address" refers to the address of the small disadvantaged business concern that is participating in the joint venture.

(c) Penalties and Remedies. Anyone who misrepresents any aspects of the disadvantaged status of a concern for the purposes of securing a contract or subcontract shall:

(1) Be punished by imposition of a fine, imprisonment, or both;

(2) Be subject to administrative remedies, including suspension and debarment; and

(3) Be ineligible for participation in programs conducted under the authority of the Small Business Act.

K.9. 52.222-22 PREVIOUS CONTRACTS AND COMPLIANCE REPORTS (FEB 1999)

The offeror represents that --

(a) It * has, * has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation;

(b) It * has, * has not filed all required compliance reports; and

(c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

K.10. 52.222-25 AFFIRMATIVE ACTION COMPLIANCE (APR 1984)

The offeror represents that --

(a) It * has developed and has on file, * has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2); or

(b) It * has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

K.11. 52.225-20 PROHIBITION ON CONDUCTING RESTRICTED BUSINESS OPERATIONS IN SUDAN – CERTIFICATION (AUG 2009)

(a) *Definitions.* As used in this provision—

"Business operations" means engaging in commerce in any form, including by acquiring, developing, maintaining, owning, selling, possessing, leasing, or operating equipment, facilities, personnel, products, services, personal property, real property, or any other apparatus of business or commerce.

"Marginalized populations of Sudan" means—

(1) Adversely affected groups in regions authorized to receive assistance under section 8(c) of the Darfur Peace and Accountability Act (Pub. L. 109-344) (50 U.S.C. 1701 note); and

(2) Marginalized areas in Northern Sudan described in section 4(9) of such Act.

"Restricted business operations" means business operations in Sudan that include power production activities, mineral extraction activities, oil-related activities, or the production of military equipment, as those terms are defined in the Sudan Accountability and Divestment Act of 2007 (Pub. L. 110-174). Restricted business operations do not include business operations that the person (as that term is defined in Section 2 of the Sudan Accountability and Divestment Act of 2007) conducting the business can demonstrate—

(1) Are conducted under contract directly and exclusively with the regional government of southern Sudan;

(2) Are conducted pursuant to specific authorization from the Office of Foreign Assets Control in the Department of the Treasury, or are expressly exempted under Federal law from the requirement to be conducted under such authorization ;

(3) Consist of providing goods or services to marginalized populations of Sudan;

(4) Consist of providing goods or services to an internationally recognized peacekeeping force or

humanitarian organization;

(5) Consist of providing goods or services that are used only to promote health or education; or

(6) Have been voluntarily suspend.

(b) *Certification*. By submission of its offer, the offeror certifies that the offeror does not conduct any restricted business operations in Sudan.

K.12. 52.227-15 STATEMENT OF LIMITED RIGHTS DATA AND RESTRICTED COMPUTER SOFTWARE (MAY 1999)

(a) This solicitation sets forth the work to be performed if a contract award results, and the Government's known delivery requirements for data (as defined in FAR 27.401). Any resulting contract may also provide the Government the option to order additional data under the Additional Data Requirements clause at 52.227-16 of the FAR, if included in the contract. Any data delivered under the resulting contract will be subject to the Rights in Data--General clause at 52.227-14 that is to be included in this contract. Under the latter clause, a Contractor may withhold from delivery data that qualify as limited rights data or restricted computer software, and deliver form, fit, and function data in lieu thereof. The latter clause also may be used with its Alternates II and/or III to obtain delivery of limited rights data or restricted computer software, marked with limited rights or restricted rights notices, as appropriate. In addition, use of Alternate V with this latter clause provides the Government the right to inspect such data at the Contractor's facility.

(b) As an aid in determining the Government's need to include Alternate II or Alternate III in the clause at 52.227-14, Rights in Data--General, the offeror shall complete paragraph (c) of this provision to either state that none of the data qualify as limited rights data or restricted computer software, or identify, to the extent feasible, which of the data qualifies as limited rights data or restricted computer software. Any identification of limited rights data or restricted computer software in the offeror's response is not determinative of the status of such data should a contract be awarded to the offeror.

(c) The offeror has reviewed the requirements for the delivery of data or software and states [offeror check appropriate block]--

[ ] None of the data proposed for fulfilling such requirements qualifies as limited rights data or restricted computer software.

[ ] Data proposed for fulfilling such requirements qualify as limited rights data or restricted computer software and are identified as follows:

____

____

____

Note: "Limited rights data" and "Restricted computer software" are defined in the contract clause entitled "Rights in Data--General."

K.13. 52.230-1 COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION (JUNE 2000)

NOTE: This notice does not apply to small businesses or foreign governments.

This notice is in three parts, identified by Roman numerals I through III.

If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c)(5) or 9903.201-2(c)(6), respectively.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

I. DISCLOSURE STATEMENT-COST ACCOUNTING PRACTICES AND CERTIFICATION

(a) Any contract in excess of $500,000 resulting from this solicitation will be subject to the requirements of the Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201-1.

(b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR, Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

CAUTION: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

(c) Check the appropriate box below:

[ ] (1) Certificate of Concurrent Submission of Disclosure Statement. The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows: (i) original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable, and (ii) one copy to the cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable. Forms may be obtained from the cognizant ACO or Federal official and/or from the loose-leaf version of the Federal Acquisition Regulation.)

Date of Disclosure Statement:

Name and Address of Cognizant ACO or
Federal Official Where Filed:

____

____

____

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

[ ] (2) Certificate of Previously Submitted Disclosure Statement. The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement:

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

[ ] (3) Certificate of Monetary Exemption. The offeror hereby certifies that the offeror, together with all divisions, subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling $50 million or more in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

[ ] (4) Certificate of Interim Exemption. The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR 9903.202-1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a revised certificate to the Contracting Officer, in the form specified under subparagraphs (c)(1) or (c)(2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

CAUTION: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of $50 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90 day period following the cost accounting period in which the monetary exemption was exceeded.

II. COST ACCOUNTING STANDARDS--ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE

If the offeror is eligible to use the modified provisions of 48 CFR subpart 9903.201-2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

[ ] The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR 9903.201- 2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than $50 million in awards of CAS-covered prime contracts and subcontracts. The offeror further certifies that if such status

changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

CAUTION: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of $50 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of $50 million or more.

III. ADDITIONAL COST ACCOUNTING STANDARDS APPLICABLE TO EXISTING CONTRACTS

The offeror shall indicate below whether award of the contemplated contract would, in accordance with subparagraph (a)(3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

[ ] YES [ ] NO

K.14. 52.230-7 PROPOSAL DISCLOSURE – COST ACCOUNTING PRACTICE CHANGES (APR 2005)

The offeror shall check “yes” below if the contract award will result in a required or unilateral change in cost accounting practice, including unilateral changes requested to be desirable changes.

[ ] Yes [ ] No

If the offeror checked “Yes” above, the offeror shall--

(1) Prepare the price proposal in response to the solicitation using the changed practice for the period of performance for which the practice will be used; and

(2) Submit a description of the changed cost accounting practice to the Contracting Officer and the Cognizant Federal Agency Official as pricing support for the proposal

K.15. SIGNATURE

By signature hereon, or on an offer incorporating these Representations, Certifications, and Other Statements of Offerors, the offeror certifies that they are accurate, current, and complete, and that the offeror is aware of the penalty prescribed in 18 U.S.C. 1001 for making false statements in offers.

Solicitation No. ____

Offer/Proposal No. ______________________________________

Date of Offer ____

Name of Offeror____

Typed Name and Title_____________________________________

Signature______________________________ Date____________

K.16. AGREEMENT ON OR EXCEPTIONS TO, TERMS AND CONDITIONS

The Offeror has reviewed the solicitation (Sections B through J of which will become the contract) and [ ] agrees to the terms and conditions set forth therein; or [ ] has the following exception (continue on a separate attachment page, if necessary

[END OF SECTION K]

SECTION L - INSTRUCTIONS TO OFFERORS

L.1. NOTICE LISTING CONTRACT CLAUSES INCORPORATED BY REFERENCE

The following contract clauses pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the clause at FAR "52.252-2 CLAUSES INCORPORATED BY REFERENCE" in Section I of this contract. See FAR 52.252-2 for an internet address (if specified) for electronic access to the full text of a clause.

NUMBER	TITLE	DATE
52.204-6	DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBERING	(APR 2008)
52.215-1	INSTRUCTIONS TO OFFERORS – COMPETITIVE ACQUISITION ALTERNATE I	(JAN 2004)
52.215-16	FACILITIES CAPITAL COST OF MONEY	(JUN 2003)
52.215-22	LIMITATION ON PASS-THROUGH CHARGES – IDENTIFICATION OF SUBCONTRACT EFFORT	(OCT 2009)
52.222-24	PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE EVALUATION	(FEB 1999)
52.222-46	EVALUATION OF COMPENSATION FOR PROFESSIONAL EMPLOYEES	(FEB 1993)

L.2. 52.216-1 TYPE OF CONTRACT (APR 1984)

The Government contemplates award of a cost reimbursement plus fixed-fee completion contract resulting from this solicitation.

L.3. 52.233-2 SERVICE OF PROTEST (SEP 2006)

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

John May
Contracting Officer
USAID/East Africa

Hand-Carried Address:
Regional Acquisition & Assistance Office
c/o US Embassy Compound
United Nations Avenue, Gigiri
Nairobi, Kenya

International Mailing Address:
P.O. Box 629, Village Market 00621
Nairobi, Kenya

Fax Number: U.S. 202-716-3055

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

(c) A copy of any protest shall also be provided to William Buckhold at Fax Number: 202-216-3058.

L.4. GENERAL INSTRUCTIONS TO OFFERORS

(a) Multiple Awards: USAID anticipates the award of one (1) contract as a result of this solicitation. USAID reserves the right to award more or fewer awards than the anticipated number of contracts stated above.

(b) RFP Instructions: Proposals must be submitted in accordance with Section L. If an Offeror does not follow the instructions set forth herein, the Offeror's proposal may be eliminated from further consideration or the proposal may be down-graded and not receive full or partial credit under the applicable evaluation criteria.

If an offer does not understand the instructions in this solicitation, then it should write to the Contracting Officer for clarification sufficiently in advance of the deadline for the receipt of proposals in order to obtain an answer in time to meet the deadline.

(c) Accurate and Complete Information: Offerors must set forth full, accurate and complete information as required by this RFP. The penalty for making false statements to the Government is prescribed in 18 U.S.C. 1001.

(d) Pre-award Survey: USAID reserves the right to perform a pre-award survey which may include, but is not limited to: (1) interviews with individuals to establish their ability to perform contract duties under the project conditions; (2) a review of the prime Offeror's financial condition, business and personnel procedures, etc.; and (3) site visits to the prime Offeror's institution.

(e) Offer Acceptability: The Government may determine an offer to be unacceptable if the offer does not comply with all of the terms and conditions of the RFP and prospective contract:

(1) Completion of Standard Form 33, Blocks 12 through 18;

(2) Completion of the "Representations, Certifications, and Other Statements of Offerors" in Section K per Section L.5; and

(3) Submission of the information required by Section L or any other section of this RFP. The submission of these items in accordance with these instructions will, if the Government accepts the offer, contractually bind the Government and the successful Offeror to the terms and conditions of the prospective contract. Offerors shall follow the instructions contained in this RFP and supply all information and signature/certifications, as required.

(f) Proposal Preparation Costs: The U.S. Government will not pay for any proposal preparation costs.

L.5. SUBMISSION/DELIVERY INSTRUCTIONS

<u>Electronic responses are required for this solicitation.</u>

Offerors must submit their proposals via email to dharter@usaid.gov and jamay@usaid.gov no later than **0800 Nairobi time, June 15, 2012,** as stated on the cover page of this RFP. The proposal must be accompanied by a cover letter typed on official organizational letterhead and signed by a person who has signatory authority for the organization. The cover letter shall be in Adobe PDF format. Total email size cannot exceed 5 MB. Multiple emails may be sent to accommodate the proposal size and content. All attachments must be in MS Word, Adobe PDF, or MS Excel readable format. **OFFERORS MUST NOT SUBMIT ZIPPED FILES.**

If you send your application by multiple emails, please indicate in the subject line of the email whether the email relates to the technical or cost proposal, and the desired sequence of multiple emails (if more than one is sent) and of attachments (e.g. "no. 1 of 4", etc.). Our preference would be that each technical and each cost proposal be submitted as a single email attachment, e.g. that you consolidate the various parts of a technical proposal into a single document before sending it.

For Section K, Offerors shall comply with FAR Clause 52.204-7, Central Contractor Registration and complete the annual representations and certifications electronically via the Online Representations and Certifications and other Statements of Offerors website at `http://ocra.bpn.gov`.

The proposal shall be prepared in two separate parts: the Technical Proposal shall address technical aspects only while the Business (Cost) Proposal shall present the price and address related issues such as past performance and responsibility. Proposals must be signed by an official who is authorized to bind the entire organization.

The Technical Proposal and Cost Proposal must be kept separate from each other. Technical Proposals must not make reference to pricing data in order that the technical evaluation may be made strictly on the basis of technical merit.

The issuance of this solicitation does not in any way obligate the US Government to award a contract nor does it commit the U.S. Government to pay for costs incurred in the preparation and submission of a proposal. Furthermore, the Government reserves the right to reject any and all offers, if such action is considered to be in the best interest of the Government.

L.6. INSTRUCTIONS FOR THE PREPARATION OF THE TECHNICAL PROPOSAL

Technical proposals are limited to **30 pages** (**<u>Any pages beyond this limit will NOT be given to the evaluators</u>**). Technical proposals shall be written in English. Proposals must be legible and must *not* require **magnification** (!). Please be kind to the evaluators and keep the technical application clear, concise, easy to follow, while also in complete compliance with the instructions herein.

Not included in this page limitation are the following:

- Cover letter submitted with the proposal which is limited to 2 pages and must include the information required by Section L;
- Table of contents; and
- CVs of key personnel which are limited to 2 pages each.

<u>The technical proposal must be organized according to the evaluation factors listed in Section M (i.e. the proposal shall have three main sections) and must address all evaluation factors in Section M.</u>

The Technical Proposal shall be organized into the following sections:

Section I, Technical Approach must demonstrate how the Offeror proposes to fulfill the requirements of the contract and the approach that will best achieve the results in the three components required in Section C of this RFP.

Section II, Personnel may contain small biographies of the Key Personnel. Please include the CVs of proposed key personnel at the end of the technical proposal. Please note that the CVs are not counted in the page limit, but are limited to 2 pages for each key personnel. Please include the CVs at the end of the technical proposal.

Section III, Management Plan must include the proposed organizational chart and the Offeror's proposed Performance Management Plan (PMP) which provides an illustrative narrative of how the Offeror shall conduct performance management and includes monitoring of illustrative indicators. This section must also clearly demonstrate the Offeror's capability to successfully implement the activities necessary to reach the required results in Section C.

Below are some links which provide guidance on illustrative indicators related to the Feed the Future initiative and crafting a PMP.

http://www.feedthefuture.gov/progress

http://www.feedthefuture.gov/sites/default/files/resource/files/FTFHandbookIndicatorDefinitions.pdf

http://pdf.usaid.gov/pdf_docs/PNABY215.pdf

L.7. INSTRUCTIONS FOR PREPARATION AND SUBMISSION OF THE COST PROPOSAL

There is no limit on the number of pages in the cost proposal, except as otherwise stated below. Offerors must use the attached "RFP Budget Template." The Cost/Business Proposal must contain the following components in the order set forth below:

(a) Part 1 - Standard Form (SF) 33

The Offeror shall submit the cover page (Section A) of this Solicitation [Standard Form (SF) 33, "Solicitation, Offer, and Award"], with blocks 12 through 18 completed, with an original signature of a person authorized on behalf of the Offeror to sign the offer.

(b) Part 2 - Proposed Costs/Prices

(1) General

(i) The Offeror shall provide a complete budget, including the budgets for each Subcontractor, by cost element utilizing the provided budget template titled "RFP Budget Template." **All formulas must be displayed and the budget must not be locked.** The total estimated cost for this program, including fee, shall not exceed $22,000,000 (inclusive of the $4,400,000 mandatory subcontract amount) for the period of performance. The Offeror must propose costs that it believes are realistic and reasonable for the work in accordance with the Offeror's technical approach.

(ii) The Offeror shall provide a narrative discussing the different cost elements to adequately justify the total estimated cost. Any assumptions should be clearly stated. The information in the narrative should be in sufficient detail to allow a complete analysis. This should include a complete breakdown of cost elements associated with each line item and those costs associated with any proposed subcontract. The cost information shall include the basis of each and every cost, (e.g., current salaries, vendor quotes, market surveys, historical experience, etc.) including the fee. Under Other Direct Costs, international travel should be identified separately and broken down by destination, number of trips, and number of travelers. The amount of fixed fee proposed should include the rationale for the proposed amount.

(2) Indirect Cost Information

(i) The Offeror shall include a complete copy of its most current Negotiated Indirect Cost Rate Agreement (NICRA) or other documentation from its cognizant Government Audit Agency, if any, stating the most recent final indirect cost rates. The proposal shall also include the name and address of the Government Audit Agency, and the name and telephone number of the auditor.

(ii) If the Offeror does not have a NICRA, audited balance sheets and profit and loss statements for the last two complete years, and the current year-to-date statements (or such lesser period of time if the Contractor is a newly-formed organization), must be included in the proposal. The profit and loss statements should detail the total cost of goods and services sold, including a listing of the various indirect administrative costs, and be supplemented with information on the offeror's customary indirect cost allocation method together with supporting computations of the basis for the indirect cost rate(s) proposed.

(iii) The indirect cost information requirements of (i) and (ii) above are required for each cost-reimbursement or time and materials type subcontract.

(iv) The Offeror shall propose ceilings on their final indirect cost rates which will be included in Section B at the time of contract award.

(c) Part 3 – Past Performance

Past performance shall be evaluated according to Section M. USAID shall be utilizing the Past Performance Information Retrieval System (PPIRS) as one method of obtaining and evaluating past performance. For contracts not in PPIRS, Offerors must submit past performance information on all contracts above $10,000,000 with a period of performance falling within the last three years which involve livestock value chain improvement and/or livestock-related economic opportunities. For major Subcontractors (those representing more than 10% of the total price), Offerors must submit information on all contracts over $1,000,000 with a period of performance falling within the last three years which involve livestock value chain improvement and/or livestock-related economic opportunities. **THERE IS NO NEED TO SUBMIT INFORMATION ON ANY CONTRACT MEETING THE REQUIREMENTS ABOVE IF IT IS IN PPIRS** (www.ppirs.gov).

Offerors must use the "Past Performance Information Sheet" (included as an attachment to this FBO notice) to submit this information. **All applicable fields must be completed for each contract not in PPIRS.** If all of the applicable contracts are in PPIRS, please note this on the sheet. Offerors are advised to inform points of contact that they may be contacted by USAID and asked to provide information regarding performance. **Offerors without past performance described above are not prohibited from submitting proposals. Offerors without relevant past performance shall be evaluated according to Section M.3 of this RFP. USAID welcomes and encourages potential new Offerors to submit proposals.**

The Government reserves the right to verify the experience and past performance record of cited projects or other recent projects by reviewing the PPIRS, other performance reports, or to interview cited references or other persons knowledgeable of the Offeror's performance on a particular project. The Government may check any or all cited references to verify supplied information and/or to assess reference satisfaction with performance. Offerors will be provided an opportunity to explain circumstances surrounding less than satisfactory performance reports if not previously provided the opportunity.

(d) Part 4 - Evidence of Responsibility:

Limited to 3 pages, the Offeror must submit sufficient evidence of responsibility for the contracting officer to make an affirmative determination of responsibility pursuant to the requirements of FAR Subsection 9.104-1. However, in the case of a small business Offeror, the Contracting Officer will comply with FAR 19.6. The Offeror must address each element of responsibility below. To be determined responsible, a prospective Contractor must:

(1) Have adequate financial resources to perform the contract, or the ability to obtain them (see FAR 9.104-3(a));

(2) Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all existing commercial and governmental commitments;

(3) Have a satisfactory performance record (See FAR 9.104-3(b) and Subpart 42.15). A prospective Contractor shall not be determined responsible or non-responsible solely on the basis of a lack of relevant performance history, except as provided in FAR 9.104-2;

(4) Have a satisfactory record of integrity and business ethics;

(5) Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them (including, as appropriate, such elements as production control procedures, property control systems, quality assurance measures, and safety programs applicable to materials to be produced or services to be performed by the prospective Contractor and Subcontractors).(See FAR 9.104-3(a));

(6) Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them (See FAR 9.104-3(a)); and

(7) Be otherwise qualified and eligible to receive an award under applicable laws and regulations (e.g., Equal Opportunity, Clean Air and Water, etc.).

(d) Part 5 - Letters of Commitment (Subcontractors):

The Cost Proposal must include a letter, on Subcontractor letterhead, and signed by an authorized representative of each Subcontractor, which specifically indicates the Subcontractor's agreement to be included in the Offeror's proposed teaming arrangement. **USAID discourages the use of exclusive agreements as this limits USAID's, and Kenya's, ability to receive the best services.**

(e) Part 6 – Subcontracting Plan

The Cost Proposal must contain the Offeror's small business subcontracting plan as required by FAR 19.7. The subcontracting plan must conform to and meet all the requirements of FAR 19.704. In particular, Offerors must address the extent that Small Disadvantaged Businesses will be utilized during the contract. U.S. small businesses are not required to submit a subcontracting plan. The plan must meet the minimum subcontracting goals outlined at http://spsinternal.usaid.gov/osdbu/Pages/Goals.aspx.

[END OF SECTION L]

SECTION M - EVALUATION FACTORS FOR AWARD

M.1. GENERAL INFORMATION

(a) The Government may award a Contract without discussions with Offerors in accordance with FAR 52.215-1.

(b) Government intends to evaluate proposals in accordance with Section M of this RFP and award to the responsible Offeror(s) whose proposal best meets the need of the government at a reasonable price and offers the best value, considering both cost and non-cost factors.

(c) The submitted technical information will be scored by a technical evaluation committee using the technical criteria shown below. The evaluation committee may include industry experts who are not employees of the Federal Government.

(d) The points shown after each evaluation criterion in section M.2 below indicate the relative importance of each criterion. There are no sub-criteria.

(e) **Weight of Technical vs. Cost Factors:** For overall evaluation purposes of this RFP, technical factors other than cost, when combined, are considered more important than cost factors. If technical scores are determined to be nearly equal by the Contracting Officer, cost will become the determining factor.

M.2. EVALUATION CRITERIA

The evaluation criteria listed below are presented by major category, so that Offerors will know which areas require emphasis in the preparation of proposals. The criteria below reflect the requirements of this particular statement of work. These criteria serve as the standard against which all proposals will be evaluated.

I. Technical Approach (50 points).

- How well the proposal fulfills the requirements of the contract and demonstrates an understanding of the Statement of Work, including, but not limited to, the quality of the justification of the proposed interventions in each of the three components.

II. Key Personnel (30 points)

- Quality and appropriateness of the Offeror's proposed Key Personnel. The quality of personnel will be evaluated based on their specific qualifications, professional competence, relevant academic background, demonstrated success in carrying out proposed activities as well as their knowledge in implementing relevant technical areas

III. Management Plan (20 points)

- The soundness and completeness of the management plan and how well the plan describes the processes and approaches necessary to address all the components in the Statement of Work, including the clarity and appropriateness of the organizational chart, the quality of the PMP, and the Offeror's capabilities.

Total points=100

M.3. EVALUATION OF PAST PERFORMANCE

Past performance shall be evaluated in accordance with FAR 15.305(a)(2). Past performance shall not be scored and shall be evaluated on a "Satisfactory/Unsatisfactory" basis. Offerors determined to have unsatisfactory past performance shall be ineligible for award. The evaluation shall focus on the following aspects:

- The quality of product or service, including customer satisfaction.
- Timeliness of performance, including adherence to contract schedules and other time sensitive project conditions.
- Ability to control costs.
- Business relations, including the history of professional behavior and overall business-like concern for the customer.
- Management and effectiveness of key personnel.

In accordance with FAR 15.305(a)(2)(iv), Offerors without a record of relevant past performance will not be evaluated favorably or unfavorably on past performance.

M.4. EVALUATION OF SMALL BUSINESS SUBCONTRACTING PLAN

Subcontracting plans, for those Offerors required to submit one, shall be evaluated on a "Satisfactory/Unsatisfactory" basis. The evaluation shall focus on the following:

- The quality and completeness of the subcontracting plan.
- The extent to which goals are both challenging and realistic.
- The extent to which Small Disadvantaged Businesses will be utilized during the contract.

M.5. COST EVALUATION

Evaluation points will not be awarded for cost. Cost will primarily be evaluated for realism and reasonableness and will be done in accordance with FAR 15.404-1. If technical scores are determined to be nearly equal by the Contracting Officer, cost will become the determining factor.

M.6. DETERMINATION OF COMPETITIVE RANGE AND CONTRACT AWARD

The competitive range of Offerors with whom discussions may be conducted (if necessary) will be determined by the Contracting Officer pursuant to FAR 15.306 (c).

Offerors are advised that, in accordance with FAR 52.215-1, if the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the contracting officer may limit the number of proposals in the competitive rate to the greatest number that will permit an efficient competition among the most highly rated proposals.

USAID reserves the right to award a contract without discussions, therefore, initial proposals should represent an Offeror's best proposal.

M.7. SOURCE SELECTION

In accordance with FAR 52.215-1(f), the Government intends to award a contract or contracts resulting from this solicitation to the responsible Offeror(s) whose proposal(s) represent the best value after evaluation in accordance with the factors as set forth in this solicitation.

The Contracting Officer will use the overall evaluation methodology set forth above in determining which proposal offers the best value to the U.S. Government. In accordance with FAR 52.215.1 the Contracting Officer will make award to the responsible Offeror whose proposal represents the best value to the U.S. Government after evaluation in accordance with all factors and sub-factors in this solicitation.

This procurement utilizes the tradeoff process set forth in FAR 15.101-1. The Contracting Officer shall award the contract to the Offeror whose proposal represents the best value to the U.S. Government. The Contracting Officer may award to a higher priced Offeror if a determination is made that the higher technical evaluation of that Offeror merits the additional cost/price.

[END OF SECTION M]

ATTACHMENT 1: Background and Problem Statement

Arid Lands in Kenya. Decades of underinvestment have left Kenya's arid districts highly vulnerable to the challenges of climate change, food insecurity, and conflict. From 40 to 60% of the region's population has never attended school, and less than 25% of the girls who enroll complete their primary education (compared to Kenya's national average of 75%)[13]. Rates of maternal mortality, infant and child mortality, and acute malnutrition, are high, and the average distance to a health facility in the region is 52km, ten times further than the national target of 5km[14] In the nearly 400,000km2 of land making up Kenya's northern lands, there are less than 1,000km of tarmac, much of which is in disrepair[15].

In 2010-11, drought in the Horn left more than 12 million people in need of emergency assistance, and pushed Somalia into famine. In Kenya, as many as 3.8 million were affected, and in its nine arid districts, the proportion of the population requiring urgent humanitarian assistance ranged from 33% in Garissa, to 77% in Marsabit[16]. This drought came fast on the heels of the 2008-2009 drought, and alarming spikes in acute malnutrition as well as the widespread and rapid deterioration of food security provided stark evidence of the extent to which coping capacities of pastoral and agro-pastoral communities have been eroded. However, recurring drought is only one of several factors contributing to increasing vulnerability in Kenya's arid regions and in drylands throughout the Horn of Africa, and increasing vulnerability is not the only change occurring these regions. The impacts of climate change, population growth, natural resource degradation, land fragmentation, and conflict are contributing to the region's challenges, while an increasing demand for labor, livestock and livestock products, eco-tourism, and environmental services are expanding the region's economic opportunities. Understanding these challenges and opportunities is paramount for developing appropriate policies and informing interventions to reduce vulnerability, build resilience and support more equitable economic growth.

In Kenya and Ethiopia, improved early warning, prepositioning, and needs assessment; ongoing safety-net, livelihoods, and natural resource management interventions; increased in-country capacities (including disaster preparedness, nutrition services, and livestock emergency management); and regional focus on removing restrictions to trade and exchange of technology/information helped to prevent famine. Despite these efforts however, the impacts of the drought were severe, with rapid spikes of acute malnutrition, the loss of millions of dollars' worth of livestock, and more than 8 million people in need of urgent humanitarian assistance to survive. This was a wake-up call to USG and other international donors that decades of investment in emergency and recovery have not resulted in sustainable gains in resilience in drought affected regions—largely because they have not been linked to strategies aimed at consolidating humanitarian gains and using them as a platform for long-term investments in social and economic growth.

Joint Planning: To change this dynamic in USG assistance programming, joint planning teams with members in the Kenya, Ethiopia, and Regional missions as well as Africa Bureau, Bureau of Food Security, Bureau for Democracy, Conflict, and Humanitarian Assistance, and the Policy, Planning and Learning Bureau were established to facilitate strategic, integrated planning and programming.

Externally, the teams aimed to support and strengthen the regional coordination efforts of the African Union and Inter-governmental Authority for Development (IGAD), and to improve donor coordination around government-led efforts to increase development investment in drought prone regions.

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[13] Republic of Kenya, 2010: *Millennium Development Goals: Status Report for Kenya - 2009*
[14] UNICEF
[15] Vision 2030 Development Strategy for Northern Kenya and Other Arid Lands- August 2011
[16] WFP

Internally, the teams were charged with expanding the scope of Feed the Future programming through the articulation of a realistic, long-term approach to improving food security in arid and semi-arid lands that builds on effective humanitarian and development programming, and existing country-owned plans.

Program Expansion: Consistent with priorities identified in Kenya's Vision 2030 Development Strategy for Northern Kenya and Other Arid Lands, as well as the Country Action Plan "Ending Drought Emergencies in Kenya", the expansion of USAID/Kenya's Feed the Future program in the arid lands includes:

- Resilience programming in the context of climate change: Community-based disaster risk reduction and natural resource management, with a focus on water and rangelands; improved linkages between "bush" and primary livestock markets and services; the strengthening and diversification of livelihoods both within pastoral livestock systems and for those leaving pastoralism; and increased focus on nutritional impacts of water, livestock, and livelihood programming.

- Livestock value chain development: Facilitated improvements in the livestock market system, including interventions aimed at a conductive enabling environment, strengthened market access and aggregation, improved access to service markets, including finance, animal health and breeding services, and improvements in the relationships among value chain actors that yield enhanced benefits to actors all along the chain, especially pastoralists.

- Building capacity and strengthening local institutions

- Collaboration and coordination, demand-driven action research, comprehensive monitoring and evaluation, real-time learning, and impact assessment.

Addressing Vulnerability in Pastoral Areas. There are intense debates surrounding what to do about increased vulnerability in Kenya's arid lands and the threats to pastoralism[17]. Some argue that pastoral livestock production is no longer viable as a primary source of income, and major investments to support pastoralism are unlikely to pay off. Proponents of this argument point out that the human population is growing as grazing land is shrinking, putting unsustainable pressures on water and land resources. The argument further posits that the number of animals per person in pastoral households has declined to a level that is not viable in a high-risk production system, particularly without a compensatory increase in livestock value. With decreasing herd sizes, sales remain focused on immediate cash needs rather than commercial off-take. Pastoral economies remain poor, with limited circulation of cash, and so have little opportunity for growth through diversification or expansion to other income-generating activities. At the same time, proponents of this argument point out that land for grazing and livestock production continues to be removed for cropping, and that sedentarization is the only viable option for pastoralists existing from pastoralism.

Sedentarization is without a doubt occurring in Kenya's arid lands. External and internal, "push" and "pull" factors are contributing to this trend. Some of the "push" factors include the conversion of communal pasture to other land uses (private ranches and/or irrigation schemes which cut off access to resources); conflict and insecurity that render some areas inaccessible; the increased in-migration of non-pastoralists into pastoralist areas and the appropriation of land by non-pastoralists. "Pull" factors include

[17] This discussion draws heavily from Stephen Devereux and Ian Scoones: The Crisis of Pastoralism. IDS, Sussex, May, 2008.

access to services (education, health), humanitarian assistance and development programming; livelihood diversification and the emergence of formal livestock markets and market towns. Trends towards sedentarization both contribute to, and result from, land fragmentation— which is perhaps the greatest threat to a production system which depends on mobility to manage risk. When driven by conflict, land fragmentation is particularly destructive, resulting in a paradox where the harshest parts of the rangeland are over-used and the most fertile areas under-grazed and lost. In its 2010 report "An Assessment of the Response to the 2008–2009 Drought in Kenya" IRLI reports that "Without a single exception, all pastoralist groups interviewed consider mobility and access to natural resources as the most potent mechanism for coping with drought". On the other hand, access to established markets and services are perceived as increasingly important for commercial off-take as a risk management mechanism for pastoralists prior to and during drought[18], and rather than being perceived as a threat to pastoralist economies, planned or enhanced settlements may be seen as an enabling factor. This latter role figures prominently in a different view on the future of pastoralism.

Steven Devereux, Peter Little and many humanitarian and development partners are taking a closer look at the assumptions feeding into the concept of a "viable" people/livestock ratio—citing the fact that adaptive change is already occurring in pastoralism, and that rather than a "closed", completely livestock-dependent livelihood, the system is becoming increasingly integrated into the cash economy, with expanded opportunities for trade, exchange, value addition, and diversification of income sources. An increasing number of pastoralist households have access to one or more sources of income that are not derived from livestock production and marketing, and the practice of sending one or more of their children to school as an income diversification strategy is becoming common. This reflects the perceived importance of counter-cyclical income (another good example being remittances from relatives living abroad) which supplements household income, sustains families through periods of crisis, and finances both livelihood diversification and the rebuilding of herds and flocks (through purchase rather than natural growth) after a drought or disease outbreak. These trends challenge previous notions of "pastoral viability" and "livestock carrying capacity" and are seen as positive adaptations to the need to sustain more people on less land with fewer animals per capita.

Based largely on their work in Ethiopia, Devereux and Little identify an emerging pattern of livelihood responses:

- The first is '***hanging on'*** to systems of largely subsistence pastoral production.
- The second is ***'stepping up'*** to a more commercial livestock production system, where profits can be made. This option is however open to few as it requires significant support from stakeholders to add value to the system through tax, market and export regulations.
- The third response, favored by most pastoralists, is ***'branching out'***. In this scenario, livestock rearing is supplemented by a variety of other livelihood activities, often with poor and inconsistent economic returns.
- The fourth and final option is '***moving away'*** out of pastoralist systems for altogether different livelihoods.[19]

[18] *Livestock Marketing in Kenya-Ethiopia border areas: A baseline study.* HPG Working Paper, July 2010

[19] *Demographic Trends, Settlement Patterns and Service Provision in Pastoraiism: Transformation and Opportunity.* Overseas Development Institute. Synthesis Paper, April 2009.

These are not static categories; rather, they provide a useful framework for understanding the dynamics, risks, and benefits of change that is already occurring in pastoral societies.

Devereux and Little emphasize that the key challenge to building on this change is to provide mechanisms to kick start pastoral economies and allow them to flourish, accepting (and facilitating) differentiation as a motor of growth. This will entail supporting new forms of commercial production specifically linked to local growth opportunities, expanding livelihood portfolios in ways that encourage local growth, and promoting access to new livelihoods other than those based around livestock-keeping. However, they warn that while livelihood diversification is both an important adaptation and contribution to a revitalized economy, it is not a panacea for resilience or for overcoming poverty. Research shows that some forms of diversification enhance welfare; however, others can increase risk and eventually undermine pastoral livelihoods. Herd mobility and accumulation remain the major means for managing risks in dryland areas and, therefore, efforts to encourage diversification should complement not compete with these goals.

While change and adaptation is necessary for the evolution of pastoralism, recognizing that pastoral identity and links with pastoral origins will remain strong will be particularly important as a risk management strategy. For poorer households, or households experiencing severe loss, traditional coping mechanisms include a reliance on better-off kin in the community who carry a responsibility that obliges them to share and allocate resources in times of stress, but also have an expectation of some future reciprocation. If and when this fails and an external short-term crisis response engages, the responsibility appears to shift to the state or relief organizations, with repeated emergencies and external crisis response leading to a new form of dependency—one which lacks any expectation of future reciprocation—and to the erosion of the communal fabric and socio-economic interdependence of the community. New partnerships which strengthen community ties during times of stress, together with long term investments which reduce vulnerability to the impacts of climatic shocks and strengthen the social and economic capacities of pastoralist communities will be needed to reverse this trend.[20]

Development experts agree that it is critical to recognize and work with the responses pastoralists currently adopt to respond to the stresses and shocks that their livelihoods face. They also agree that flexibility is critical to building economic and social resiliency. Pastoralists need options that allow for flexible adaptation to shocks, which may vary depending on the environment, cultural context, and level of poverty and vulnerability. “Either/or”, “pastoralism vs. sedentarization” constructs will limit rather than contribute to flexibility.

Cross-Cutting Challenge. As efforts are focused to support sustainable change in pastoralism in a way that strengthens its positive impacts and mitigates its negative, additional attention must be given to four significant cross cutting challenges.

Sustainable Management of Water and Rangeland. The Nairobi Declaration recognized the need to promote the rehabilitation and sound management of ecosystems to sustain productivity and provide buffers against drought and other natural disasters in the Horn of Africa’s drylands. Soil, water, rangeland, forests and wildlife provide the foundation of primary productivity for both subsistence and economic growth in Kenya’s arid zones. A number of factors including increasing human and livestock densities, over-grazing, invasive plants, and changing weather and temperature regimes have reduced the productivity of the drylands. In addition, the productive potential and the fragility of arid lands is highly variable depending on rainfall and temperature patterns and differences in soil fertility, depth and ability to hold water and nutrients during dry spells and droughts. Achieving sustainable productivity in arid zones will require the accumulation of data on water, soil, land-cover, and management regimes to target

[20] *ibid.*

locations with highest potential for productivity and rehabilitation and subsequent provision of capacity building and technical support for improving rangeland and water management.

Promote Gender Equality and The Empowerment of Women and Girl. As gender defines many social and economic roles in pastoral societies, these trends may have differential effects on men and women. For example, with sedentarization, women may have new opportunities to earn cash, but these often increase their workload. As young people are being pulled to towns, women often are left behind with heavier workloads. Where access to land has been formalized and fragmented, fences and other barriers mean that women have to walk further to collect water or other resources. When new commercial opportunities open up, men are often in a better position to take advantage of them because they are more integrated into the commercial economy. (Flintan 2011). Single women with children and women who are widowed or divorcees are often pushed to exit to settlements where they become isolated from traditional social and economic support systems. At the same time, change can also open up new opportunities for women to join together to sell livestock and for girls to go to school. In some places women are participating in and achieving greater degrees of voice and participation in decision making at the community and local governmental levels (Flintan 2011). More research is required on women's roles in livestock production systems and the broader pastoral livelihood system to identify new, market-oriented livelihood diversification opportunities; however, action must be taken now to build on emerging positive trends.

Linkages between Livestock, Milk, Water, Markets and Nutritional Outcomes. Under-nutrition is a key driver of vulnerability in pastoral communities —contributing to high rates of maternal, infant, and child mortality. Cycles of acute malnutrition correlate closely with access to milk, and the health, productivity, and management of livestock. Dietary vulnerability is exacerbated by lack of access to clean water, with contaminated water points contributing to chronic diarrheal disease. Interventions which expand access to clean water, milk and/or milk products, explore options to increase dietary diversity, and promote good feeding and hygiene, should complement and build on value chain and livelihood diversification efforts, and increase their impacts on household resilience through improved nutritional outcomes.

Fostering an Enabling Environment for Change. The pastoralists in the Arid Lands have had little participation in the policy-making process. While the devolution of government to the county level called for in the new constitution should bring the policy process closer to the Arid Lands, ensuring a voice for the pastoralists and input into resource allocations is a challenge for REGAL. Moreover, at a local level, strong traditional governance institutions and customary mechanisms of conflict resolution, water and pasture management previously provided the basis for mobility and security in pastoral regions. These mechanisms are becoming increasingly ineffective as a means for resolving disputes and the formal security system is also unable to deal effectively with these conflicts. Tensions between modern and customary security institutions exist, but there appears to be a new openness to innovation and engagement between the state and communities security actors (for example, some districts integrate the police into peace-building structures). Improved governance at a local level in the arid regions will in great part depend upon strengthening both sets of institutions and building much improved ties between the two.

Governance. Good governance is fundamental to enhancing resilience of the pastoral populations living in the Arid Lands. Improvements in several levels of governance (community, sub-national, national and regional) are needed. Two important levels where positive changes have recently begun are at the country level through the CAADP framework and the regional level where governance institutions under the African Union's Intergovernmental Authority on Development (IGAD) are coming together to facilitate trade and investments in the ASALs.

*Kenyan decentralization***.** Kenya is embarking on a bold plan for decentralization that will reshape political boundaries and government institutions. The process will devolve significant administrative, budgetary, and management authority to newly defined counties, assemblies and wards while create new responsibilities for provision of public services by local authorities. The decentralization process holds promise for strengthening the voice of Kenyans in the political process, but also poses many challenges as new governing institutions are formed and take on new responsibilities. PREPARE's success will depend on effective coordination and dialogue between local stakeholders, community groups, private sector players and NGOs and local government institutions at the county and ward levels. USAID is initiating a governance program that will support the decentralization process. It will assist emerging county-level institutions in addressing challenges in establishing government functions, while supporting non-state actors to effectively interface with new local authorities to ensure delivery of needed services.

Governance and conflict. In the past, strong traditional governance institutions and customary mechanisms of conflict resolution provided the basis for security in pastoral regions. These mechanisms are becoming increasingly ineffective as a means for resolving disputes and the formal security system is also unable to deal effectively with these conflicts. Tensions between modern and customary security institutions exist, but there appears to be a new openness to innovation and engagement between the state and communities security actors (for example, some districts integrate the police into peace-building structures). Improved governance in the arid regions will in great part depend upon strengthening both sets of institutions and improving ties between the two.

Natural resource governance. Natural resources – land, water, rangelands, forests and wildlife - are key sources of wealth and power in Kenya. They are more than biophysical entities as they are dynamic systems with cultural and political significance. Because of this they can be a key entry point for supporting rural development and good governance, or a flash-point for conflict depending on their management. At the sub-national levels the primary governance concerns are disputes over use rights to grazing and water resources, and livestock rustling. These issues are of increased concern during drought when pastoralists have to traverse extensive areas to feed their livestock and trade.

With major plans underway to improve the road infrastructure in the Arid Lands, the potential for new pressures, principally from external resources, on pastures, water resources and animal corridors is likely to increase. The vast majority of lands are currently managed by county councils which have a mixed record in terms of protecting the customary rights of landholders. The National Land Policy, adopted in December 2009, calls for a complete overhaul of this system with management of trust lands shifting to democratically elected District and Community Land Boards. Efforts to support the transparency and accountability of these new institutions will be critical to ensure tenure security of customary rights holders.

Several models for improved governance of natural resources exist in Kenya. Conservancy models supported by the Northern Rangeland Trust, the African Wildlife Foundation, the Laikipia Wildlife Forum and other institutions protect pastoral livelihoods on Group Ranches while conserving wildlife. USAID has also supported models for resolving resource tenure in the Mara watershed and in coastal communities near Lamu. Consistent with the Kenyan Constitution (2010), the Public Land Act and the Private Land Act have been gazetted, but the Community Land Act is under revision as of this writing.

USAID programs have helped the GOK advance the policy and legal frameworks for increased agricultural productivity, environmental management, and sustainable, productive land use. USAID conducted a review of the draft NLP in 2008. USAID's most recent land-related investment in Kenya is the 18-month project, Securing Rights to Land and Natural Resources for Biodiversity and Livelihood in Kiunga-Boni-Dodori Reserves and Surrounding Areas in North Coastal Kenya (SECURE). The objectives of SECURE are to secure land and resource rights of indigenous coastal communities, to improve livelihoods, and to support biodiversity conservation and sustainable natural resource management (USAID/Kenya 2009b). This is the first tenure model in Kenya consistent with the Draft Communal Land Act.

Kenya's Constitution and National Land Policy

The Constitution of Kenya (2010) declares that "land in Kenya shall be held, used and managed in a manner that is equitable, efficient, productive and sustainable, and in accordance with the following principles: (a) equitable access to land; (b) security of land rights; (c) sustainable and productive management of land resources; (d) transparent and cost effective administration of land; (e) sound conservation and protection of ecologically sensitive areas; (f) elimination of gender discrimination in law, customs and practice related to land and property in land; and (g) encouragement of communities to settle land disputes through recognized local community initiatives consistent with this Constitution" (GOK 2010, Article 60).

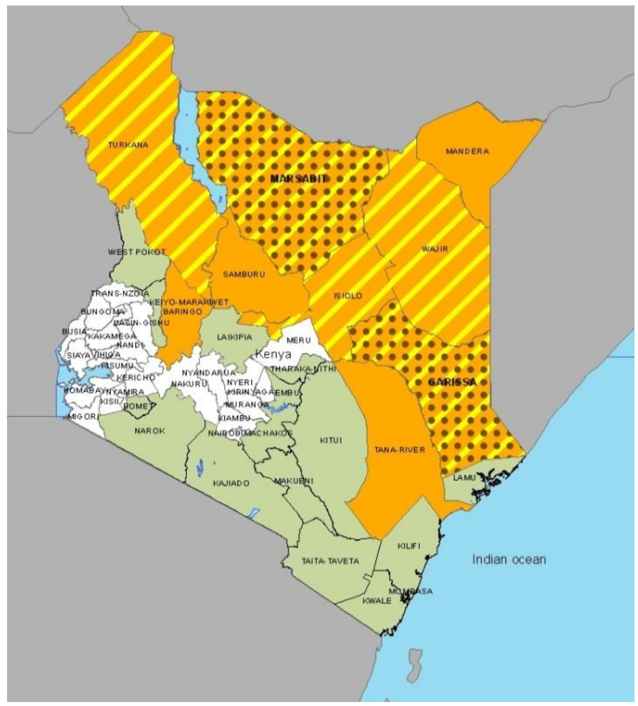
The National Land Policy (NLP), adopted in December 2009, is intended to guide Kenya toward sustainable and equitable land use and replace the existing patchwork of often incompatible laws. The NLP outlines broad and substantial reforms to the land management and administration system. The policy: 1) recognizes and protects customary rights to land; 2) outlines principles of sustainable land use and provides productivity and conservation targets and guidelines; 3) calls for reform of land management institutions to ensure devolution of power, increased participation and representation, justice, equity, and sustainability; 4) establishes the National Land Commission, District Land Boards, and Community Land Boards; 5) calls for the development of a legal and institutional framework to handle land restitution and resettlement for those who have been dispossessed; and 6) calls for

ATTACHMENT 2: REGAL Geographic Focus

The two REGAL programs are part of a broader strategy to link and layer humanitarian and development assistance in Kenya's northern arid lands. The first layer of investment is the World Food Programme's (WFP) food-for-asset activities in nine northern arid counties; Turkana, Baringo, Samburu, Marsabit, Isiolo, Mandera, Wajir, Garissa and Tana River. This base layer leverages WFP's large food assistance footprint and is conceived of as a broad, but comparatively shallow investment in building resilience amongst vulnerable communities and households in the northern arid lands.

REGAL-IR constitutes a second layer of focused investment aimed at building resilience in five of these nine arid counties; Turkana, Marsabit, Isiolo, Wajir and Garissa. The livestock value chain program (REGAL_AG) constitutes a third layer of even deeper and more focused investment that aims to spur economic growth in two of the five northern arid counties targeted by the resilience program; Marsabit and Garissa.

Figure 1: 9-5-2 Map of Arid Lands



The five counties targeted by the resilience program (layer two) were selected on the basis of several criteria. First, these counties had the highest number and percentage of households in need of food assistance during the 2011 drought and thus offer the greatest opportunity for reducing the food assistance caseload in the arid lands. Second, they offer an opportunity to build prior USAID investments, including WFP food-for-asset activities funded by the Office of Food for Peace (FFP), the Arid Lands Consortium (ARC) funded by the Office of Foreign Disaster Assistance (OFDA), and USAID Kenya's Natural Resource Management (NRM) program. Finally, these counties have also been targeted by other donors, including DFID's through their Hunger Safety Net (HSN) and JICA.

The two counties targeted by REGAL-AG (layer three) from amongst the five targeted by the resilience program were selected on the basis of additional criteria. First, these two counties offer the substantial growth potential for livestock. Second, both are national and cross-border market hubs for livestock. Third, they are critical nodes in the Government of Kenya's proposed LAPSSET corridor. In addition, the investment in Marsabit is geographically contiguous with USAID's livestock value chain program in Ethiopia (PRIME) and aims to leverage market opportunities afforded the Isiolo-Moyale road. Similarly the investment in Garissa builds off the already well-established markets there, as well as prior investments by USAID Kenya in livestock market development.

ATTACHMENT 3: Institutional Framework

The African Union Commission and several member states convened unprecedented high-level meetings in August and September 2011 to discuss drought-related emergencies in the Horn of Africa. The result was a call for the region and individual countries to establish comprehensive programs to address the challenges facing arid zones and the pastoralist communities that inhabit them. The African Union Commission and Heads of State called on IGAD to lead regional efforts and coordinate with countries to put in place programs to end drought- related emergencies in the IGAD Region. This call to action has taken place just as several IGAD region member states have put in place comprehensive national agriculture and food security investment plans aligned with the Comprehensive Africa Agriculture Development Program (CAADP) framework. Embedded within these plans are an elevation of attention to the arid lands.

IGAD is now engaged in developing a regional CAADP Compact and program/project development efforts have been initiated in Kenya, Ethiopia, and Uganda. Substantial resources have been and continue to be mobilized by countries and the global community to support the country and regional programs that will be taking shape over the coming months.

These efforts closely parallel the Commission's Policy Framework for Pastoralism in Africa that aims to secure, protect and improve the lives, livelihoods and rights of African pastoralists. The policy framework provides a platform for mobilizing and coordinating political commitment to pastoral development in Africa, and emphasizes the need to fully involve pastoralist women and men in national and regional development processes. The framework also emphasizes the regional nature of many pastoralist ecosystems in Africa and therefore the need to support and harmonize policies across the Regional Economic Communities and Member States. COMESA and EAC are in the process of finalizing their respective policy frameworks.

At the country level, it is important to note that Kenya has made significant progress in putting in place policies, strategies, plans and programs relevant to addressing environment and development challenges in the arid lands. It should also be noted however, that Kenya has developed multiple strategies and policies that deal with food security and development of the ASALs over the past several years. Unfortunately, most of these policies have not been implemented fully due to many reasons including: lack of appreciation by many policy makers and development partners of the unique challenges of the ASAL areas, inadequate resources by the government, and insecurity in the region.

Of these national policies, the most important is Vision 2030—the country's development blueprint covering the period 2008 to 2030 aimed at transforming Kenya into a, "middle-income country providing a high quality life to all its citizens by the year 2030". A separate annex to Vision 2030—Development Strategy for Northern Kenya and other Arid Lands—was prepared in 2011 and sets out the interventions required to bring the ASALs to the same threshold as the rest of the country. Unfortunately, this policy has not yet been ratified. The Government is also currently working on a 10 year country paper entitled "Ending Drought in Kenya". Both documents emphasize the importance of:

- Investing in the foundations for development in the ASALs;
- Ensuring that a more effective institutional framework is in place to promote ASAL development and manage drought in a more sustainable way;
- Enhancing the adaptive capacities of communities to the effects of climate variation through the application of an ecosystems management approach.

Several coordination mechanisms exist within the Government of Kenya in support of the ASALs. There is an Inter-Ministerial Coordination Committee led by Permanent Secretary, Ministry of Agriculture which includes permanent secretaries from; Ministry of Livestock Development; Ministry of Fisheries Development;, Ministry of Water Resources and Irrigation; Ministry of Cooperative Development and Marketing; Ministry of Regional Development Authorities; Ministry of Lands;, Ministry of Forestry and Wildlife; Ministry for the Development of Northern Kenya and Other Arid Areas; Ministry of Environment and Mineral Resources. ASCU, the Agricultural Sector Coordination Unit, coordinates the ten ministries responsible for the Agricultural and Rural Development.

The Government has also established within Ministry of State for Development of Northern Kenya and other Arid Areas, the ASALs Secretariat which is intended to serve as the principal reference point for all stakeholders working in the ASALs. The main roles for the Secretariat are to: 1) provide policy and programmatic direction for the ASAL SWAP; 2) act as a 'clearing house' for all new project proposals and ensure they are aligned to the ASAL Vision 2030; 3) service all coordination/transformation structures from the Cabinet subcommittee downwards; 4) streamline and manage relationships with all stakeholders and; 5) facilitate the establishment of key ASAL development institutions.

In September 2011, the Government created the NDMA to supervise and co-ordinate over all matters relating to the drought management and to be the principal instrument of the Government in the implementation of all policies relating to drought management. The NDMA will bolster efforts by Ministry responsible for the ASALs to create the necessary institutional framework to address the challenges posed by recurrent drought and other climate change related disasters.

There are also plans to establish a National Drought Contingency Fund (NDCF) that will allow contributions from the Government as well as donors and provide the capacity and to disburse funds to drought-prone affected districts in a flexible, effective and efficient way. The NDCF's main purpose is to fund drought early response in all the districts. However, it will also be used to also fund recovery activities and some preparedness initiatives continent-wide.

ATTACHMENT 4. REGAL Alignment with GOK Vision 2030

***<u>Horn of Africa JPC</u>*: Social Stability and Economic Growth in the Dryland Areas**	***<u>GoK Vision 2030:</u>* A secure, just and prosperous Northern Kenya and other arid lands, where people achieve their full potential and enjoy a high quality of life**
Increased Economic Opportunities	• Equal opportunities • Livestock production, health and marketing • Sustainable dryland livelihoods • Accessible financial services sector • Diversified & competitive trading & manufacturing system • Education and training for sustainable development
Strengthened Institutions, Governance, & Social Accountability	• Citizen-focused and results-oriented public service • Quality, accessible health care • Decentralized decision-making and equitable distribution of resources
Improved Security Conditions and Conflict Management Capacity	• Security of all persons and property • Adherence to the rule of law
Improved Physical Infrastructure	• Cost-effective infrastructure facilities and services
Sustainable Natural Resource Management	• Holistic and sustainable management of land and natural resources across the ASALs • Drought management and climate change adaptation are mainstreamed and institutionalized

ATTACHMENT 5: Links to Relevant Donor Projects

US Government

USAID/Kenya
USAID has a variety of programs working in the Arid Lands of Kenya focusing on humanitarian assistance, asset creation, expansion of social services, natural resource management, livestock value chain development and youth empowerment.

Humanitarian Assistance: USAID's Office of Food for Peace (FFP) and Office of U.S. Foreign Disaster Assistance (OFDA) and provided substantial food and non-food support in the arid lands. Through WFP, FFP provides food to vulnerable Kenyans coping with recurrent droughts in both arid and semi-arid areas of Kenya. This is accomplished through direct food distributions as well as cash/food for asset programs. OFDA has support short-term interventions including unconditional cash transfers, WASH programming, support for integrated management of acute malnutrition, and through the Arid and Marginalized Lands Recovery Consortium three-years of market strengthening, asset creation and asset diversification.

Education and Youth: The USAID/Kenya Education and Youth Office (EDY) supports three programs working in the arid lands. Yes Youth Can! is creating local, regional and national youth networks to advocate for more and better youth-friendly services, carry out livelihood activities, and gain access to increased financial services. The focus is on youth-led initiatives and may include work in agriculture, urban skills development.

Garissa Youth enables and empowers youth to design and lead initiatives to improve opportunities for themselves and their communities. The project gives youth in Garissa County greater access to work and aims to keep youth in school for secondary and higher education. Civic activities promote tolerance and peaceful coexistence among diverse communities. Education for Marginalized Children of Kenya (EMACK) focuses on improving learning outcomes and evidence-based school management reforms at the primary school level.

Health: The USAID/Kenya Health office is in the process of awarding a new five-year initiative entitled AIDS Population and Health Integrated Assistance (APHIA plus) Program which will focus on decentralized, integrated service delivery in HIV/AIDS, FP/RH and selected MNCH areas. The program will have an emphasis on maternal, child and newborn health and nutrition services within an integrated HIV/AIDS, FP/RH, and MNCH program as well as provide innovative approaches for the "hard to reach" and nomadic populations including effective community models to ensure access to and continuation of services in an area prone to drought, famine, insecurity and other disasters. The programs will also have collaboration with other USG initiatives in the ASAL areas and support program linkages with relief and recovery efforts to improve health systems. The program will take place in Tana River, Garissa, Wajir, Mandera, Marsabit, Isiolo, Samburu and Turkana counties.

ABEO: USAID/Kenya's Agriculture, Business and Environment Office (ABEO) funds multiple initiatives in the arid counties. Through CNFA, USAID/Kenya provides assistance in five focal areas in the livestock value chain: (1) strengthening of institutions and market linkages, (2) value addition, (3) animal health, (4) policy improvement, and (5) climate change adaptation. Through the Natural Resource Management division of ABEO, USAID/Kenya supports an integrated approach to rangeland management, livelihood diversification, tourism and wildlife conservation. ABEO also manages a WASH program covering Garisa, Marsabit and Moyale. The program aims to increase access to potable water and sanitation by schools and communities. The WASH program in Garrissa is implemented by

CARE/Kenya while those in Marsabit and Moyale are implemented by Food for the Hungry (FH/Kenya). Both CARE and FH work under the Millennium Water Alliance (MWA) program.

Potential Partnerships for REGAL-AG

Organization/Project		Complementary Activities
REGAL-IR		The "sister" award/contract to this activity. Will work in five Arid counties, including Marsabit and Garissa and has explicit linkages to REGAL-IR.
KDLDP		This CNFA project is currently focused on the livestock value chain in Garissa.
WASH		USAID/Kenya and OFDA ….
APHIA +		USAID/Kenya Office of Population and Health has awarded a 5 year program aimed at improving and decentralizing service delivery.
WFP - PRRO		The 2012-2015 PRRO aims at protecting and rebuilding livelihoods through response, asset creation, and food security.
UNICEF IMAM		UNICEF works with the GoK to integrate management of acute malnutrition into the health delivery systems.
USAID/Ethiopia/PRIME		Pastoralists Areas Resiliency Improvement and Market Expansion aims to increase household incomes and improve resiliency and adaptive capacity of communities through market expansion.
FEWS Net		Vulnerability mapping, livelihoods dynamics
Knowledge Management projects		USAID/Kenya and USAID/EA will have projects to support implementation of Initiative activities with an emphasis on learning from frequent monitoring of activities to understand results and inform necessary adjustments.

USAID/East Africa
Through the Conflict Management and Governance office, USAID/East Africa funds "Peace II", a three-year conflict mitigation program, aimed at strengthening cross-border security through local community initiatives and supporting conflict mitigation and early warning and resolution efforts in the region. Twelve priority "cross-border" peace corridors were identified along the Kenya/Somalia border and Kenya/Ethiopia border as focus areas based on an analysis of a baseline survey and consultative meetings with the local communities.

USDA
The Foreign Agricultural Service (FAS) works to improve foreign market access for U.S. products, build new markets, improve the competitive position of U.S. agriculture in the global marketplace, and provide food aid and technical assistance. FAS can provide food assistance through the Food for Progress Program, the McGovern–Dole International Food for Education and Child Nutrition Program, and other food programs. The Mc-Govern-Dole Program helps support education, child development, and food security for some of the world's poorest children.

The Global Hunger and Food Security is a U.S. Government (USG) Initiative with expected contributions and participation from a variety of USG agencies. USAID/Kenya currently collaborates on particular issues and initiatives with several USG agencies.

Whole of Government Approach

USG Agency	Area of Collaboration
U.S Ambassador	Disaster declarations to allow USG assistance in emergencies
State Dept/Economics Section	Public advocacy of reforms and policy changes to improve agricultural sector competitiveness;
US Dept of Ag/Foreign Ag Service	Assistance with enactment of Biosafety Bill Food for Progress programs supportive of grain legume and dairy programs Support to strengthen Kenya Plant Health Inspectorate Services Training in Sanitary and Phytosanitary Standards Assistance to Kenya Agriculture Research Institute
US Dept of Commerce/Foreign Commercial Service	Promotes US technologies and services to increase agricultural productivity Supports US firms that employ ag technologies Lobbies for effective intellectual property rights (IPR) to facilitate increased trade
US Peace Corps	Volunteers assist dairy and maize programs to strengthen farmer groups' financial and business skills.
USAID Office of U.S. Foreign Disaster Assistance (OFDA)	Non-food assistance in emergency situations Some transitional assistance post-emergency
USAID Food for Peace/Emergency	Food assistance in emergency situations
USAID Economic Growth, Agriculture and Trade	Technical assistance to missions, programs complementary to field mission programs
USAID Africa Bureau	Technical assistance to field missions
USAID/EA	COMPETE, Biotechnology, Agriculture research networks, alliances for trade, fertilizer and seed provide support for programs across borders to harmonize across countries

Government of Kenya

Government of Kenya (GoK) Interventions & Investments in the Arid Lands. Funding in the ASALs has been disproportionately low compared to the other areas especially for infrastructure (roads) and investments for social amenities such as hospitals and schools. Nevertheless, the GoK jointly with various donors has funded and implemented several projects in the ASALs over years. The most recent projects of significance include the following:

ALRMP: Arid Lands Resource Management Project Phases I&II: It was a community-based drought management project of the Kenya Government (GoK) that was funded by the World Bank in 22 ASAL districts. The first phase of the Project was initiated in 1996 after the World Bank-funded Emergency Drought. ALRMP was a longer-term development-oriented project focusing on institutionalization and mainstreaming of drought management activities in the Kenya Government system. The achievements of ALRMP 1 were considerable but it was not possible to move towards full institutionalization of processes due to the nearly persistent drought emergency situation during the implementation period. Phase II strengthened coordination structures through formation and strengthening of the District Steering Groups. This project was terminated at the end of 2010 due to serious audit queries.

ALLPRO: ASAL Based Livestock and Rural Livelihoods Support Project (ALLPRO) is a six year initiative of the Ministry of Livestock Development (MoLD) designed to improve the livelihoods of ASAL communities through improved incomes from their livestock and building their capacities to cope with adverse environmental shocks like droughts, floods and livestock disease outbreaks. The project is funded by Government of Kenya and African Development Bank and works in all the 22 ASAL districts. The feasibility study for the ASAL slaughterhouses was done through AfDB's funding. Construction work for these slaughters funded by GoK is at advanced stages in Isiolo and in Garissa. Work is also ongoing in Wajir. The project is expected to end in December 2012.

KASAL: The Kenya Arid and Semi-Arid Research programme (KASAL) focuses on developing site-specific agricultural technologies for farmers and livestock keepers in the Arid and Semi-Arid Lands. KASAL is implemented by the Kenya Agricultural Research Institute (KARI) since 2006 and is financed jointly by the Government of Kenya *and the* European Union. KASAL is the process of becoming a Phase II.

Integrated Programmes: Other integrated projects that have been funded by the GoK are; the District Focus for Rural Development (DFRD) in the 90's, the on-going Local Authority Transfer Fund (LATF) through the County and Municipal Councils and; the popular Community Development Fund (CDF) that funds wide range of projects in all the districts.

LAPSSET: Through Lamu Port Southern Sudan Ethiopia Transport (LAPSSET) Corridor, the government has embarked on the most ambitious infrastructural investment that is aimed at opening up the ASALs and linking them to the neighboring countries of Southern Sudan and Ethiopia. The project to be implemented in phases through private and public funding includes construction of Lamu port, roads, railway line, pipeline and resort cities. Work has started and for instance, the Isiolo- Merrile road was recently complemented through an AfDB loan**.** The other section linking Merrile to Marsabit (to be funded by EU) is in a procurement stage while construction for the Marsabit- Turbi- Moyale has started through the AfDB funding. The LAPSSET was officially launched with a ground-breaking for the Lamu port in early March by the Heads of States of the three countries.

Other Donor Activities in the Arid Lands

The recent drought was a wakeup call to the need for a concerted, coordinated, and deeply committed effort to work together to build resilience and accelerate economic growth in the arid regions of Kenya

Recognizing the important challenge for doing business differently, the development community is mobilizing significant resources to focus on the complex issues of integrating and managing short-, medium- and long-term responses into a coherent approach and concrete actions. All partners in this endeavor, including USAID, recognize that improved coordination of development efforts will require a significant commitment to better collaboration, a sustained engagement, and establishment of new approaches that improve development effectiveness—including support for country-led and region-led plans and programs that tackle the long-term challenge of building resilience and economic transformation in the dryland areas.

Local and international civil societies, religious and community-based organizations, national and international NGOs, regional bodies, UN agencies and governments, both in the region and those with long-standing development ties, are committed to making significant investments in enhancing resilience of the vulnerable in this region. USAID is committed to working with partners to leverage the massive changes required.

ECHO/EU

Approximately €70 million has been allocated to a program that integrates supplementary and therapeutic feeding for the malnourished, provision of emergency food security including livelihood programs, provision of clean water and hygiene promotion. Cash for work and food vouchers are also provided to assist in the early recovery of livelihoods. In 2011, the European Commission allocated an additional €4 million to repair water sources, provide animal health services and implement livelihood interventions in the arid and semi-arid lands. The program also promotes contingency planning and includes the regular monitoring of key indicators such as water availability, animal health and resource based conflict issues as well improving the existing systems in place to predict drought.

The multi-donor funded Kenya Rural Development Program (KRDP) is a major initiative already underway in the project area. The three main areas of focus for this program include:
1) Increasing access to and availability of food in Kenya; 2) Strengthening institutional capacity to manage droughts and improve food security and livelihoods in the ASALs; and 3) Strengthened sector coordination through assistance to the Agricultural Sector Coordination Unit (ASCU).

DfID
A second initiative underway in the Arid Lands that USAID will seek to establish close connections with is DFID's Hunger Safety Net Program (HNSP). The ten-year program began in 2007 with a grant worth £ 80 million. HSNP is a safety net program that seeks to alleviate extreme hunger and poverty in the Arid Lands of Kenya. Long term, regular and unconditional cash transfer is being piloted (Phase I 2008-2012) as cost effective way to solve chronic food shortages in arid and semi-arid lands. Currently, the program operates in the four districts of Mandera, Wajir, Marsabit and Turkana. It also seeks to contribute to the development of national social protection policy and strategy in Kenya.

DFID's focus on stimulating growth, led by the private sector and with a focus on job creation will be placing more emphasis on the Arid Lands in the future which will provide an opportunity for collaboration on the livestock value chain.

JICA
Under their new programming, JICA intends to work in Marsabit and Turkana with an explicit focus on the livestock value chain, natural resource management, rural infrastructure and governance. Discussions between USAID and JICA are already underway on how best to coordinate our investments in these key sectors in the Arid Lands.

ATTACHMENT 6: Theory of Change and Development Hypotheses

Theory of Change. By reducing risk, building resilience and expanding economic opportunities for both men and women, we can reduce hunger and poverty, increase social stability and stimulate economic growth in targeted areas of Kenya's arid lands by 2017. This can be achieved through a systems approach which 1) enhances the depth and breadth of benefits from the increased competitiveness of the livestock value chain to ensure an appropriate balance between competitiveness and inclusiveness; 2) strengthens the natural resource base to sustain pastoral mobility and reduce the vulnerability of livestock and people to the impacts of recurrent drought; and 3) enables households and communities to take advantage of diversified livelihood opportunities arising from both efforts, contributing to a thriving arid lands economy, the improved status of women, and increased resilience of the social networks upon which all households in the arid lands rely.

The livelihood systems and economies of Kenya's arid lands are in flux. Climate change and an increase in the frequency and severity of climatic shocks have combined with population pressure, historical marginalization and underinvestment to produce three discernible, but overlapping long-term trends. The first is herd consolidation and the growing commercialization of the livestock sector stemming in part from the failure of small-holder and subsistence pastoralists to adapt to the conditions noted above. The second is resource degradation stemming from (and contributing to) reduced access to and competition over rangeland resources. Finally, the institutions responsible for governing the management of rangeland and other natural resources in the past have been weakened, and not effectively replaced, by the state.

Better off individuals and households positioned to take advantage of herd consolidation and commercialization are thriving. Others have exited pastoralism altogether and, in the absence of alternatives to mobile livestock-keeping, have become reliant on internal (kin), and increasingly external, humanitarian assistance. Still others are vulnerable and in the process of exiting or are vulnerable, but viable…at least for the time being. These trends offer both opportunities and challenges, but in the absence of support, the likely outcome is an increasing number of households slipping from viability to exiting and from exiting to destitute.

Our theory of change builds on and fosters positive aspects of change that is already occurring in the region's pastoral systems. First, it builds on behavior change that enables herders to perceive and participate in markets, and to protect and strengthen the natural resource base, as critical to the profitable and sustainable management of their herds and to their own economic resilience. Second, it builds on existing and emerging primary and secondary livestock markets—pushing market access further "down" towards small-holder herders, and facilitating the community-driven development of vibrant rural market towns as platforms for the delivery of services and for the diversification of economic opportunities for both men and women. Third, and critical to success, this approach supports the establishment and/or re-establishment of effective systems of governance and conflict mitigation— promoting partnership between traditional and appointed leadership—contributing to the empowerment of pastoral communities and increased accountability at all levels.

Development Hypotheses. The social stability and economic growth in Kenya's arid lands can best be achieved by supporting and facilitating multiple pathways that enable pastoralists to adapt to their changing environment, while strengthening the capacity of communities and institutions to manage risk and protect the natural resource base.

*Livelihood Pathways***:** Evidence from the field highlights four general pathways. They include 'hanging on,' 'stepping up,' 'branching out,' and 'moving away,' defined as follows:

- '**Hanging on'** refers to remaining in existing systems of largely subsistence pastoral production.
- '**Stepping up'** refers to participating in a more commercial livestock production system, where profits can be made.
- '**Branching out'** refers to supplementing livestock rearing with a variety of other livelihood activities, the returns from which strengthen the pastoral system
- '**Moving away**' refers to exiting pastoralist systems for altogether different livelihoods.

These categories are not meant to define static states—households "hanging on" in subsistence pastoral production may branch out or move away, and a household moving away from pastoralism may re-engage and branch out. Movement between and within these categories will be associated with current aspirations, the perceived benefit of new behaviors, and the perceived risk entailed in adopting them.

Sub-hypothesis 1: increased social stability and economic growth will depend on the extent to which households **"hanging on"** to less sustainable subsistence pastoral production begin to participate in more commercial production, and/or supplementary economic activity, in a way that bolsters household and community resilience.

Sub-hypothesis 2: increased social stability and economic growth will depend on the extent to which investments supporting the ***stepping up*** process (aimed at improving the competitiveness of the livestock value chain) can generate economic returns that both bolster the resiliency of the pastoral system and attract private investment.

Sub-hypothesis 3: increased social stability and economic growth will depend on the extent to which investments contributing to ***branching out*** into diverse pastoral and non-pastoral activities (some resulting from the multiplication effects of commercial investments) result in new incomes that effectively supplement livestock rearing and strengthen the pastoralist system.

Sub-hypothesis 4: increased social stability and economic growth will depend on the effectiveness of programs assisting populations ***moving away*** from pastoralism to engage in new, viable livelihoods and new relationships that support their resilience and allow for independence from humanitarian aid.

Sub-hypothesis 5: increased social stability and economic growth will depend on the effectiveness of investments which aim to strengthen primary markets and market towns as platforms of support and opportunity for **pastoralists hanging on, moving away, branching out, and stepping up.**

Governance for conflict and drought risk reduction and strengthened natural resource management:

Sub-hypothesis 6: increased social stability and economic growth will depend on the extent to which investments translate into increased support at the local, county, and national level for pastoral livestock systems and pastoral mobility as necessary to sustainable rangeland management, and the best economic use of the arid land ecosystem.

Sub-hypothesis 7: increased social stability and economic growth will depend on the extent to which investments in community-driven development translate into reduced vulnerability to drought and conflict, contributing to economic and social resilience

Sub-hypothesis 8: increased social stability and economic growth will depend on the extent to which investments in capacity building result in improved partnership between traditional and appointed authorities, increasing the efficiency and security of markets, and expanding equitable access to natural resources.

ATTACHMENT 7: REGAL-AG Illustrative M&E Indicators

REGAL-AG Intermediate results (IRs)	Indicators (all relevant indicators will be broken down by male/female)

IR 2.1 Improved enabling environment	*Illustrative output indicators*:
	• Number stakeholder meetings/public forums on policy issues relevant to pastoralists and livestock value chain actors
	• Number of policies analyzed
	• Number trained in leadership
	• Number of media campaigns/events
	
	Illustrative outcome indicators
	• Number of enabling policies/regulations/administrative procedures related to livestock sector in each of the following stages of development:
	  ○ Stage 1: Number analyzed
	  ○ Stage 2: Number drafted and presented for public/stakeholder consultation
	  ○ Stage 3: Number presented for legislation/decree
	  ○ Stage 4: Number passed/approved
	  ○ Stage 5: Number passed for which implementation has begun
	• Value of fees collected annually by livestock market management councils
	• Number of animals leaving the market certified by County veterinarians
	• Number of animals passing through newly established markets/ marketing infrastructure
	• Number of security incidences in county secondary markets
	• Livestock transport controls and taxes that discourage commercialization and trading relaxed or removed
	• Dispute resolution mechanisms improved

IR 2.2 Improved market linkages	*Required FTF Indicator:* • Value of incremental sales (at livestock producer level) attributed to REGAL implementation *Illustrative output indicators:* • Number new models tested for aggregating livestock for sale • Number stakeholder meetings • Number of coordinated actions among VC actors in response to market shocks *Illustrative outcome indicators* • Investment in livestock marketing infrastructure • Number of live animals bought and sold annually in the market per household • Satisfaction with buying and selling in the livestock market • Number of sources of market information used in the past season per household • Number of sales based on market information per household • Volume and value of sales of live animals and livestock-related products (including meat, hides/skins/leather and milk) marketed in the Arid Lands • Volume and value of sales in primary and secondary livestock markets in Marsabit and Garissa • Volume and value of exports of live animals and livestock-related products • Number of primary and secondary markets where the Livestock Market Management Committee shares revenue with the Local Council • Number of market channels • Quality of vertical value chain relationships • Quality of horizontal value chain relationships •
	Required indicator:

IR 2.3 Improved livestock productivity	• Women's Empowerment in Agriculture Index Illustrative output indicators • Number of livestock keepers who have adopted/applied REGAL-AG-facilitated new production technologies and management practices • Number of private enterprises, associations, and/or councils that have adopted/applied REGAL-AG-facilitated new production technologies and management practices • Number of herders purchasing feed supplements • Number of herders purchasing breed improvement services *Illustrative outcome indicators:* • Mortality rates of herd and flocks • Numbers of camels, cows and shoats lost to transmittable livestock diseases • Weaning weights and weaning indices in herds and flocks owned by pastoralists receiving REGAL-AG-facilitated training and services • Milk yields of camels and goats (by gender of livestock keeper) • Number of new technologies available to the livestock value chain actors in Marsabit and Garissa • Number of new technologies used by livestock value chain actors in Marsabit and Garissa • Offtake rates from herds and flocks in the REGAL-AG zone of influence
IR 2.4 Expanded existing/new service and input markets	*Illustrative output indicators* • New input providers • New input product lines • Number of value chain actors trained (by type of actors) • Number of new financial products/services offered by REGAL supported financial service providers

	Illustrative outcome indicators: • Number of input and services providers • Volume and value of fodder sales • Volume and value of animal drug sales • Number of financial service providers selling products/services to the livestock value chain actors (savings, credit, insurance products, or money transfer services • Percent (volume/value) of transactions made via an e-platform • Number of livestock value chain actors (livestock keepers, middlemen, traders, buyers) purchasing BDS (vet, information, financial, insurance services) • Value and volume of services purchased, including veterinarian services, financial services, insurance, information services • Value and volumes of sales of seeds and seedlings for fodder and drugs for animals • Value and volume of sales of CBAHWs services and other animal health services • Volume and value of outstanding balances of loans for livestock-related activities by gender • Number of places where livestock value chain actors save by type of livestock-related activity and gender • Number of herders with savings accounts.
IR 2.5 Expanded/new livestock-related economic opportunities	*Illustrative output indicators*: • Number of new livestock-related businesses assisted by REGAL-AG or the resiliency project (with REGAL-AG market assessment studies and technical assistance); • Number of value chain assessments conducted of livestock-related economic opportunities *Illustrative outcome indicators:* • Volume and value of sales of livestock-related products (including meat, hides/skins/leather and milk) processed in the Arid Lands • Value of sales of new livestock-related economic opportunities

	assisted by REGAL-AG • Number of households engaged in new livestock-related services or marketing livestock-related products disaggregated by gender • Value of sales generated by REGAL-AG-assisted livestock-related businesses; • Number of REGAL-AG-assisted livestock-related businesses that have upgraded (e.g., new product, new delivery mechanisms, new processes, new practices; • Volume and/or value of livestock-related products (e.g., liters of milk or milk equivalent, head of breeding bucks or rams, finished steers or shoats, kg of fodder or forage seed, etc.) sold by REGAL-AG-assisted businesses
IR 2.6 Strengthened systems in local organizations	*Illustrative output indicators*: • Number of development organizations/enterprises awarded direct procurement from USAID • Number of organizations/enterprises receiving capacity building support against key milestones *Illustrative outcome indicators*: • Number of organizations/enterprises identified as high potential for future awards • Contract value of services/activities/value chain-driven units "pushed out" / contracted out to new organizations • Value of new contracts received by REGAL-AG-assisted local organizations
IR 2.7 Unleash innovation and private sector investment	*Illustrative output indicators* • Use of innovation fund by type of activity • Number of value chain actors using innovation fund • Value of private sector investment leveraged through fund *Illustrative outcome indicators* • Value of new investments by private sector actors as a result of fund co-investments

	• Number of value chain actors purchasing new services, products, and/or technologies, disaggregated by women and men, as a result of fund co-investments • Value of new services, products, and/or technologies purchased by value chain actors, disaggregated by women and men as a result of fund co-investments • Number of livestock value chain actors participating in contract production, disaggregated by women and men, as a result of fund co-investments; and • Number of cooperatives or associations engaged in contracts with processors as a result of fund co-investments

ATTACHMENT 8: Acronyms

ABEO	Agriculture, Business and Environment Office, USAID/Kenya
ACTESA	Alliance for Commodity Trade in Eastern and Southern Africa
AfDB	Africa Development Bank
AFR/SD	Africa Bureau's Office of Sustainable Development - USAID
AGRA	Alliance for a Green Revolution in Africa
ALRMP	Arid Lands Resource Management Project
ARD	Agriculture and Rural Development
ASALs	Arid and Semi-Arid Lands
ASCU	Agricultural Sector Coordination Unit
CAADP	Comprehensive Africa Agriculture Development Program
CGIAR	Consultative Group on International Agricultural Research
COMESA	Common Market for Eastern and Southern Africa
COMPETE	Competitiveness and Trade Expansion program
DCA	Development Credit Authority
DFID	Department for International Development - U.K.
DLDP	Drylands Livestock Development Program
DMI	Drought Management Initiative
E/NRM	Environment/Natural Resource Management
EA	East Africa
EAC	East African Community
EC	European Commission
EG	Economic Growth
EGAT	Economic Growth, Agricultural and Trade - USAID
EMACK	Education for Marginalized Children in Kenya Program
EU	European Union
FAO	Food and Agriculture Organization
FAS	Foreign Agricultural Service - USDA
FEWS Net	Famine Early Warning System Network
FFP	Food for Peace - USAID
GDA	Global Development Alliance
GDP	Gross Domestic Product
GIS	Geographic Information Systems
GJD	Governing Justly and Democratically - USAID
GOK	Government of Kenya
GIZ	German International Cooperation
HIV/AIDS	Human Immunodeficiency/ Acquired Immunodeficiency Syndrome
HSNP	Hunger Safety Net Program
ICT	Information and Communications Technology
IEE	Initial Environmental Examination
IFAD	International Fund for Agricultural Development
JICA	Japan International Cooperation Agency
KARI	Kenya Agricultural Research Institute
KDMD	Knowledge Driven Microenterprise Development
M&E	Monitoring and Evaluation
MDG	Millennium Development Goal
MIS	Management Information System
MNKOAL	Ministry for Development of Northern Kenya and Other Arid Lands
MSME	Micro-, Small and Medium Enterprise

NRM	Natural Resource Management
OFDA	Office of U.S. Foreign Disaster Assistance - USAID
PEPFAR	President's Emergency Program For AIDs Relief - USG
P4P	Purchase for Progress (of WFP)
PRRO	Protracted Relief and Recovery Operation - WFP
ReSAKSS	Regional Strategic Analysis and Knowledge Support System
SME	Small and Medium Enterprises
USAID	United States Agency for International Development
USAID/EA	United States Agency for International Development Regional Mission covering East Africa
USDA	U.S. Department of Agriculture
USG	United States Government
WASH	Water, Sanitation and Hygiene Promotion
WB	World Bank
WFP	World Food Program

ATTACHMENT 9: Definitions

Defining Social, Economic, and Environmental Resilience.

Borrowing from the behavioral sciences, resilience can be thought of as a construct representing positive adaptation—or pattern of adaptation over time-- despite adversity. REGAL-IR aims to increase the social and economic resilience at the market, community household levels, as well as the environmental resilience which underpins both.

Social resilience *is increased when the social networks and ties within the pastoral system are built, strengthened and reinforced so that they can be drawn upon in the face of a shock without being destroyed.* These social networks include resilient systems for finance, informal insurance, social protection and exchange of other resources. For example, the social and economic obligations among members of the system offer a whole range of social protection, including access to informal (indigenous) financial services, obligatory transfers between better-off kin and those who are poorer, especially during times of stress, and other linkages. Moreover, research[21] on sedentarization shows that those children of "drop out' households consistently fare worse against a range of health indicators. These results relate to the sharing of resources between those 'better off' and 'worse off,' as well as the poorer diet of households that are sedentarized (especially the reduction in the consumption of milk).

Economic resilience is defined as the ability of individuals, households, and communities to withstand some level of negative shock or negative changes and maintain their basic livelihood by building up and maintaining of a store of resources that they can draw on in the face of shocks. Some households are using livestock-related resources and thus improving the competitiveness of the livestock value chain will add to the household's store of resources. Other households depend more or less on livestock and supplement these resources with other activities. For pastoralists, who are "pushed" out of the system, they will need assistance in developing viable alternatives. Those who are *pulled* out of the system by opportunities may actually share their resources earned from outside with the system, thus strengthening it. Where women have property rights and the ability to own livestock, they can further contribute to the resilience of the system if and when men move out.

The literatures points to the importance of having a multiplicity of viable options for responding to threats and taking advantage of opportunities. Moreover, if identified opportunities are to strengthen economic and social resilience, they must supplement (rather than undermine) the pastoral system. These options will vary by socio-economic status, environmental context and herd size. Nonetheless, they should allow "thriving" pastoralists, those who are "up and down but viable in terms of herd size and recovery, the non-viable who are in the process of exiting and those that have already dropped out the flexibility and diverse resources to respond to shocks. Indicators of economic resilience might include new behaviors, such as proactive risk management, proactive problem solving, improved herd management (including Increased off-take rate), investments in supplemental livelihoods, and engagement in new livelihoods.

Ecological Resilience is the level of disturbance that an ecosystem can absorb without crossing a threshold to a different ecosystem structure or state.[22] Disturbances could be either natural—such as weather-related events, or man-made—such as deforestation or climate change. The changes that result may include lower productivity, growth of non-native species, or other effects that are not desirable.

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[21] As Pastoralists Settle. Social, Health, and Economic Consequences of the Pastoral Sedentarization in Marsabit District, Kenya, Fratkin, Elliot ; Roth, Eric Abella (Eds.), *Series : Studies in Human Ecology and Adaptation, 2005. Vol. 1*

[22] Walker et al. 2006:14; Folk et al. 2002:13.

Depending on the depth of the changes, the ecosystem may be overwhelmed and lose their ability to recover.[23]

[23] World Resources Institute (WRI) in collaboration with United Nations Development Programme, United Nations Environment Programme, and World Bank. 2008. *World Resources 2008: Roots of Resilience—Growing the Wealth of the Poor*. Washington, DC: WRI.

ATTACHMENT 10: Helpful Links

USAID's Approach to Value Chain Development:

1. http://microlinks.kdid.org/good-practice-center/value-chain-wiki

USAID's Land Tenure Country Profile for Kenya:

1. http://usaidlandtenure.net/usaidltprproducts/country-profiles/kenya

USAID's Climate Change Programs and Tools:

1. http://www.usaid.gov/our_work/environment/climate/

Women's Empowerment Agriculture Index:

1. http://www.ifpri.org/sites/default/files/publications/weai_brochure.pdf

ICT:

Good practices, information regarding software platforms and examples of ICT applications that may be useful are available via:

1. USAID FACET Project website (http://kdid.org/projects/field-support/facet),
2. World Bank's ICT in Agriculture Sourcebook (http://www.ictinagriculture.org/ictinag/content/ict-agriculture-sourcebook),
3. Applications related to ICT-enabled agriculture extension services at the Gates Foundation mFarmer Initiative (http://www.gsma.com/mfarmer/).